



September 30, 1997

**To:** Board of Directors (Budget and Finance Committee--Information)  
(Engineering and Operations Committee--Information)  
(Organization and Personnel Committee--Information)

**From:** *for* General Manager  
*Edward J. Meo III*  
**Submitted by:** Lambertus H. Becker  
Chief Financial Officer  
*Lambertus H. Becker*

**Subject:** Report on Business Resumption Plan

### **RECOMMENDATION**

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For information only.

### **EXECUTIVE SUMMARY**

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In January 1995, Metropolitan engaged the services of IBM Business Recovery Services (the consultant) to consult on the design and development of a Business Resumption Plan (Plan) for critical office functions. The intent was to activate the Plan in the event of a disaster or crisis rendering a District office facility uninhabitable. Plan development took one year to complete and in February 1996 your Board approved funding to implement a formal Business Resumption Program.

The Plan has undergone various levels of review and validation during the past two and a half years. In the summer and fall of 1996, the consultant facilitated Table-Top Exercises with Metropolitan's Departments, Divisions and Business Resumption support teams. In March 1997, a District-wide Alert Drill was conducted to validate Metropolitan's ability to contact employees during or post-disaster. Most recently, in July 1997, Metropolitan conducted "Operation Summer Squall," a three-day Validation Drill.

Metropolitan's Business Resumption Program is continually evolving and the Plan has tested well. Each of the exercises has proven to be an invaluable learning experience and Metropolitan's Plan has improved as a result of the lessons learned. Following "Operation Summer Squall," 90 percent of the participants indicated that as a direct result of the exercise they were more confident in their ability to respond to a crisis. Staff is preparing an action plan to address the primary issues identified in the Final Report provided by the consultant.

**DETAILED REPORT**

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The District established the Emergency Operations Center (EOC) and developed a comprehensive Emergency Response Plan for the water distribution system in the early 1970's. In the fall of 1994, Metropolitan expanded its emergency preparedness with a decision to develop a District-wide Business Resumption Plan (Plan). The primary purpose of the Plan is to provide a timely recovery of Metropolitan's critical office functions, in the event a disaster or crisis renders one or more District office facilities uninhabitable.

Following an RFP process, a contract was awarded to the consultant to assist District staff with development of the Business Resumption Plan. A management steering committee was established to oversee the project and formal planning sessions began in January 1995. Plan development took approximately one year to complete.

The goal was to establish a plan that would allow Metropolitan to resume critical business functions quickly, yet would require a minimum financial investment pre-disaster. In addition to restoring critical functions, another major objective of the Plan is to resume full business operations within 60 to 90 days. In order to minimize the pre-disaster expenditures, space was identified at District field facilities for temporary placement of employees assigned to critical functions. In most instances, office space, computers, telephones and other peripheral equipment will be shared during this interim period. Assuming the headquarters building is unavailable for occupancy, 15 percent of staff will be relocated immediately following a disaster. The Plan calls for a two week ramp-up to 50 percent of the office staff and every effort will be made to resume all business functions within 60 to 90 days.

It was readily apparent that the size and scope of Metropolitan's Plan would necessitate a need for centralized control. Early in the planning phase it was recommended that Metropolitan establish a command center to oversee and direct the business resumption activities. In June 1995, the General Manager appointed Chief Financial Officer, Bert Becker to head the Business Resumption Command Center (BRCC). Meeting the Plan's objectives requires a multitude of skilled personnel and nearly 100 employees (including primaries and alternates) have been selected to serve on teams which will support the recovery effort. There are five teams which include the Management (Core) Team, Assessment, Deployment, Vital Services and the Employee Emergency Support Program. An organization chart listing the primary responsibilities of each team is attached for your reference.

By action of your Board in February 1996, Metropolitan proceeded with implementation of the Plan. The Plan has undergone various levels of testing to validate its applicability to meeting the District's objectives. During the summer of 1996, the consultant conducted table-top exercises with MWD Departments and Divisions to assist them in validating their critical functions, proposed temporary staff reductions, employee call lists and emergency procedures. A similar exercise was also conducted for the BRCC teams in October 1996.

In March 1997, a District-wide Alert Drill was conducted to demonstrate the capability of Departments and Divisions to contact personnel post-disaster, train employees in communications procedures, set a baseline for "alert" time assumptions and validate the effectiveness of technologies deployed to facilitate communication. The Alert Drill was very

successful and provided much needed information. The final objective of the Drill was for the consultant to provide a Findings Report. Recommendations contained in the report will be incorporated into future alert drills and will aid the District in improving its present procedures. It is important to note that this drill was announced in advance which gave Department, Division and BRCC personnel an opportunity for preparation that would not be available if Metropolitan were experiencing a real crisis. The consultant has strongly recommended that this type of drill be conducted again without advance notice to the participants. Following the successful completion of an unannounced drill, Metropolitan can be very confident in its alert procedures.

In July 1997, the District, with assistance from the consultant, conducted a three day Validation Drill of the Business Resumption Command Center and its support teams. The exercise was titled "*Operation Summer Squall*," the mock disaster was a terrorist takeover of Two California Plaza and over 100 employees participated in some part of the three day exercise. There were a number of objectives identified for the drill including, a "real time" information systems recovery test, simulating the relocation of 500 employees, and testing the functionality and procedures of the BRCC teams. All of the objectives were met and the exercise results exceeded our expectations. The exercise proved to be an excellent learning experience for everyone. Ninety percent of the participants indicated that as a direct result of the validation drill they felt more confident in their ability to respond to a crisis. Staff is preparing an action plan to address the primary issues identified in the Final Report, provided by the consultant.

Each of the exercises has proven to be an invaluable learning tool. Following each drill, changes have been incorporated to improve and streamline the Business Resumption Plan. The Business Resumption Program will continue to evolve and mature in order to ensure a timely, efficient and cost effective recovery for all of Metropolitan's critical corporate functions.

NLK

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Attachment

# BUSINESS RESUMPTION COMMAND CENTER (BRCC)

