

**AGENDA
Borrego Water District
Special Board Meeting**

**March 8, 2018 @ 9:00 am
806 Palm Canyon Dr.
Borrego Springs CA 92004**

I. OPENING PROCEDURES

- A.** Call to Order
- B.** Pledge of Allegiance
- C.** Roll Call of Attendees
- D.** Review of Meeting Agenda

II. ITEMS FOR DISCUSSION AND POSSIBLE RECOMMENDATION

A. Consideration of Organizational Assessment and Groundwater Sustainability Agency Capacity Analysis by Brian Brady & Associates – B. Hart (2-7)

III. TECHNICAL AND POLICY ISSUES FOR INTRODUCTION OR DISCUSSION

IV. INFORMATIONAL ITEMS

V. CLOSING PROCEDURES

The next regular meeting of the Borrego Water District Board of Directors is Tuesday March 20, 2018 at the Borrego Water District.

BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING – MARCH 8, 2018
AGENDA BILL 2.A

March 7, 2018

TO: Board of Directors, Borrego Water District
FROM: Geoff Poole, General Manager
SUBJECT: Consideration of Organizational Assessment and Groundwater Sustainability Agency Capacity Analysis with Brian Brady & Assoc. – Hart

RECOMMENDED ACTION:

Discuss Organizational Assessment/GSA Capacity Analysis and authorize staff to enter into an Agreement with Brian Brady

ITEM EXPLANATION:

BWD will soon begin the discussions with the County of SD on the operational roles and responsibilities for each agency within the Borrego Basin Groundwater Sustainability Agency (GSA) for implementation of the Groundwater Sustainability Plan (GSP). In anticipation of expanded responsibilities associated with the future GSA roles, President Hart has asked Brian Brady Consulting to develop a Scope of Work to assist BWD in this area, attached.

FISCAL IMPACT:

\$7,500

ATTACHMENTS:

1. Scope of Work and Resume

BRIAN J. BRADY & ASSOCIATES

37850 De Portola Road
Temecula, California 92592
Telephone: 951.551.8933
Email: bjbassociates@aol.com

March 6, 2018

Beth Hart, President
Borrego Water District
806 Palm Canyon Drive
Borrego Springs, CA 92004

Subject: Borrego Water District Organizational Assessment/Optimization Study
President Hart:

Thank you for this opportunity to propose a scope of work and fee arrangement between Brian J. Brady & Associates (BJBA) and Borrego Water District (District) to perform an Organizational Assessment/Optimization Study for the District. The following work effort is proposed:

I. Scope of Work

For this engagement, I will be the primary contact for the completion of the assessment scope of work, as outlined below.

- a. Perform an independent review of District staffing levels, effectiveness and budget performance, including the following tasks:
 - i. Exploratory interviews with Board members and key District staff
 - ii. Review of District's current and past budgetary performance
 - iii. Review of size, composition, division of labor and workflow within the organization.
 - iv. Review current Capital Improvement Plan (CIP).
 - v. Review of available construction statistics
 - vi. Review of selected positions' compensation
 - vii. Review of staffing needs and potential solutions for the Groundwater Sustainability Agency (GSA) for the Borrego Valley
 - viii. Review of current and anticipated contracting needs/opportunities (i.e. legal, accounting, engineering)
 - ix. Review of all issues recently identified by the District Board President (email: 3/01/2018)
- b. Prepare a report to the Board of findings, observations and recommendations, including:
 - i. Assessment of the overall effectiveness the current organization
 - ii. Identification of factors impacting organizational effectiveness
 - iii. Recommendations for improved effectiveness:
 1. Staffing levels
 2. Reporting relationships
 3. Compensation levels
 4. Individual position analysis
 5. Opportunities for greater efficiency
 6. Other personnel issues, as appropriate.
 7. GSP and GSA staffing support

II. Terms

- a. The District will retain BJBA, and BJBA will make available those resources necessary to implement the scope of work as outlined above.
- b. In consideration for the services provided, the District will pay BJBA a fee

- not to exceed \$7,500.
- c. This agreement shall become effective March __, 2018 and shall remain in effect until April 30, 2018.
 - d. This agreement may be extended beyond April 30, 2018 by mutual agreement of both parties.
 - e. BJBA acknowledges that the District is relying upon the experience and skills of Brian Brady. In the event he is unable to fulfill his personal duties for any reason, this agreement may be terminated or shall be subject to new negotiation.
 - f. Any other professional and/or administrative services/costs needed for the satisfactory completion of this project, will be paid by BJBA out of the above fee paid to BJBA by the District.
 - g. Payment terms are net 15 days.
- If the above basic business terms and conditions are acceptable, please execute below. I look forward to a successful engagement.

Best regards,

Brian J. Brady
Enclosure: Brady Bio/Resume
ACCEPTED & AGREED:

Borrego Water District:

By: _____

Brian J. Brady & Associates:

By: _____

ENCLOSURE
BRIAN J. BRADY, P.E.

Brian J. Brady has over 35 years of engineering and management experience in both the public and private sectors of western states' electric and water utilities. He is a recognized expert in the asset valuation and strategic positioning of both public and private utilities. He most recently served as General Manager of the Fallbrook Public Utility District (FPUD), representing the District as a member of the Board of Directors of the San Diego County Water Authority and a Governor Brown appointee to the Colorado River Board of California.

Prior to his FPUD assignments, Dr. Brady served as the General Manager of the Imperial Irrigation District (IID), a water and power authority encompassing 6,500 square miles in southern California. IID is the largest irrigation district in the United States at 3.1 million acre-feet in annual deliveries, and is also the third largest public sector electric utility in California (1,000 MW peak demand.) While at IID, he spearheaded major initiatives to develop renewable energy projects for export to southern California metropolitan centers.

Dr. Brady is also the former Chairman and CEO of the Dominguez Water Company, an investor-owned (NASDAQ) utility in Long Beach, California. Under his leadership, Dominguez became the dominant broker of groundwater rights in Los Angeles County. Additionally, he led the expansion of Dominguez operations into Sonoma, Marin and Lake Counties in northern California through the negotiated purchases of private and mutual water systems.

Prior to Dominguez Water, Dr. Brady directed the operation of the City of Anaheim's electric utility (600 MW peak demand) with responsibility for electric integrated resource planning, acquisition and scheduling; demand side management; engineering functions; electric field construction; environmental services; commercial and industrial business development.

Dr. Brady has provided expert testimony before the California Legislature, the California Public Utilities Commission, the U.S. Environmental Protection Agency and the Federal Energy Regulatory Commission on matters of utility operations and valuation in rate proceedings. He also has appeared before both U.S. House and Senate committees in support of western regional water utility projects.

Dr. Brady is a registered Civil Engineer, earning his BSE degree in from Loyola University of Los Angeles (now Loyola Marymount University)'s College of Engineering; an MBA with an emphasis in Finance from the University of Southern California's Marshall School of Business; and an Ed.D with an emphasis in Organizational Leadership from Pepperdine University's Graduate School of Education and Psychology.

RESUME
Brian J. Brady, P.E.

PROFESSIONAL EXPERIENCE

Principal Brian J. Brady & Associates (2000 - present)

Principal of an independent management consulting practice specializing in operational assessment, asset valuation and strategic positioning of both public and private electric and water utilities. Clients have included the Water Replenishment District of Southern California (WRD), the Inland Empire Utilities Agency, Chevron Texaco, University of Southern California, California Portland Cement, Vulcan Materials, Exxon Mobil, Municipal Water District of Orange County, the Central and West Basin Municipal Water Districts, Borrego Water District, Conaway Preservation Group and several private water utility investors.

General Manager Fallbrook Public Utilities District (FPUD) (2011- 2018)

Reporting to a five-member Board of Directors, was responsible for operations of the Fallbrook Public Utility District (FPUD), which provides water, wastewater and reclamation services to north San Diego County. Partnering with Camp Pendleton Marine Base to develop critically needed local water supplies (Santa Margarita River Conjunctive Use Project). Served as a member of the Santa Margarita River Watershed Watermaster Steering Committee. Represented the District on the Board of Directors of the San Diego County Water Authority; recently served as the Governor's appointee to the Colorado River Board of California.

General Manager Imperial Irrigation District (IID) (2008- 2011)

As the appointed CEO by a five-member elected board of directors, provided executive leadership to the IID electric and water operations within southern California's Imperial and Coachella Valleys. Annual operating and capital budgets exceed \$850 million, with a staff of 1,400. Responsible for implementing the landmark Qualification Settlement Agreement (QSA) among the IID, Metropolitan Water District and the San Diego Water Authority, and for spearheading major initiatives to develop renewable energy projects.

General Manager Rancho California Water District (RCWD) (2003-2008)

Reporting to a seven-member Board of Directors, was responsible for operations of the Temecula-based district's water, wastewater and reclamation divisions. Continued rapid expansion in the municipal, industrial and agricultural business segments during 2003-2004 fiscal year resulted in a nearly 14 percent increase in overall system demands. Lead an aggressive integrated water resources strategy to meet system build out forecasts. Managed the extraction and recharge operations of the Temecula Valley Groundwater Aquifer.

Chairman, CEO Dominguez Services Corporation (1995 - 2000)

As authorized by the Company's Board of Directors, was responsible for overall corporate policy, strategy and operations of Dominguez Services Corporation's utility and non-utility business units. In the first thirty-six months with the Company, expanded water utility operations into northern California and increased unregulated water brokering and subsidiary operations. In the same period, the Company's market capitalization rose by more than 250%, and annual shareholder returns averaged 33%. In November of 1998, completed merger negotiations with California Water Service, attaining the highest asset valuation of any U.S. investor-owned water or gas utility at that time.

Assistant General Manager Public Utilities Department, City of Anaheim (1992-1995)

Directed the operation of the City's electric utility, gross annual revenues of \$250 million. Responsible for electric integrated resource planning, acquisition and scheduling; demand side management; engineering functions; electric field construction; environmental services; commercial and industrial business development; and both electric and water system dispatch operations.

Vice President and General Manager Energy Services Inc. (1988-1992)

Chief Operating Officer of a wholly owned subsidiary of Southern California Edison Company. Developed and positioned the operation to provide utility related services (pump/turbine/motor

repair, engineering support, cogeneration operating services, utility R & D technology transfer, fuel oil storage leasing contracts, privatized maintenance services). Client base developed in the first three years of operation included over 200 companies in the U.S., Canada, Mexico and the Pacific Rim.

Manager, Energy Management Southern California Edison Company (1983-1988)

Developed and marketed new electric load management programs and electric rate options to industrial and commercial customers. Partnered with local governmental agencies in analyzing and economizing energy use. Responsible for developing and marketing end-use electro-technologies (the forerunner to Edison's "CTAC") to assist industrial and commercial customers in becoming more competitive in the marketplace.

Manager of Valuation Southern California Edison Company (1980-1983)

Manager of department of engineers, accountants, and other technical staff providing economic, depreciation and cost of service studies; valuations and base data for rate cases. Served as expert rate case witness before federal and state regulatory commissions. As the company's Chief Valuation Engineer, certified to financial institutions the fair value of company operating assets and real estate for trust indenture purposes.

EDUCATION

Bachelor of Science in Engineering (BSE) emphasis: Water Resource Management

- Loyola University of Los Angeles College of Engineering (now Loyola Marymount University)

Master of Business Administration (MBA), emphasis: Finance

- University of Southern California Marshall School of Business

Doctor of Education (Ed.D), emphasis: Organizational Leadership

- Pepperdine University Graduate School of Education & Psychology

Doctoral research: Skill development for appointed and elected governing board officials

Additional Graduate level studies:

- Massachusetts Institute of Technology, Stanford University, Western Michigan University, United States International University

ELECTED AND APPOINTED OFFICES

Board of Directors, Liberty Utilities (West) – 2016-present

Board of Directors, San Diego County Water Authority – 2011-2018

Board of Directors, Association of California Water Agencies – 2010 – 2011; 2016-2017

Board of Directors, Colorado River Board of California – 2015-2017

Board of Directors, Park Water Company (The Carlyle Group) – 2013-2016

State Legislative Committee, Association of California Water Agencies – 2013-2015

Federal Affairs Committee, Association of California Water Agencies – 2013-2015

Executive Committee, California Transmission Planning Group – 2009-2011

Board of Governors, California Municipal Utilities Association – 2009-2011

Board of Directors, Large Public Power Council – 2008-2011

Board of Directors, Southern California Public Power Authority – 1992-1995; 2008-2011

Board of Directors, Irvine Ranch Water District – 1998-2004

Board of Directors, Orange County Sanitation District – 2001-2004

Board of Directors, National Public Projects Coalition – 2004-2008

Board of Directors, Association of Groundwater Agencies – 2000-2001

Board of Directors, National Association of Water Companies – 1997-2000

Executive Council, California Water Association – 1995-2000

OTHER CREDENTIALS

Registered Professional Engineer, State of California

Member, Phi Delta Kappa (international honor society)