

THE WATER COUNCIL

THE TIDE IS RISING...

2014

ANNUAL REPORT
SERVING THE WORLD WATER HUB

THE WATER COUNCIL

The only organization of its kind in the United States, The Water Council was established in 2009 by Milwaukee-area businesses, education and government leaders.

With more than 150 water technology companies in the Milwaukee area, the region's water industry is a \$10.5 billion dollar market and accounts for four percent of the world's total water business. The non-profit organization, consisting of more than 160 members, is linking together global water technology companies, innovative water entrepreneurs, acclaimed academic research programs and, most importantly, some of the nation's brightest and most energetic water professionals.

MISSION

To align the regional freshwater research community and water-related industries to establish the Milwaukee region as the World Water Hub for water research, economic development, and education.

LEADERSHIP VISION

Be the globally connected epicenter for freshwater research, innovation, education, and business development.

“A RISING TIDE LIFTS ALL BOATS”

- According to an old saying made famous by John F. Kennedy

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Visit thewatercouncil.com/annualreport for a FULL online report!



Global Water Center	\$1,076,709
Grants	\$1,432,924
Membership	\$347,755
BREW Accelerator	\$308,400
Water Summit	\$194,100
Contribution Income	\$68,910
Fiscal Agent	\$71,381
Miscellaneous	\$2,013
TOTAL	\$3,502,192



Programs	\$517,115
Global Water Center	\$1,125,779
BREW Accelerator	\$305,321
Water Summit	\$101,569
Operations	\$290,569
Marketing	\$107,085
Fiscal Agent	\$52,752
TOTAL	\$2,500,187

MESSAGE FROM OUR CO-CHAIRS

With the support of our members, contributors, and new international partners, The Water Council advanced its global leadership in 2014 with new programming, funding, and talent to steer a course for our water network to be at the forefront of an increasingly competitive global water market.

The Water Council experienced dynamic expansion in 2014 as the tide definitely began to rise. The Office of Wisconsin Governor Scott Walker reported a 7.4% increase in exports of water technology-related products, demonstrating a growing water economy in the state. At the same time The Water Council positioned our organization for future growth by setting in motion a new Leadership Strategic Vision, providing a framework for our growing and changing opportunities, roles, and responsibilities as the Epicenter of the Global Water Industry.

As we embark into 2015, we look forward to announcing the following pivotal activities:

Release of the Water Collaborative Innovation Platform - Amplifying global collaboration through a super-charged, web-based, research, and data dashboard

Opening of the Center of Excellence for Water Innovation & Small Business Development - Providing small and medium sized water technology businesses from across the United States a launch pad for growth

Launch of our first annual Water Investment Conference - Accelerating interaction between investors and water startups

Revealing of our new website - Enhancing your ability to connect with an interactive business directory

We invite you to browse through our 2014 Annual Report and see firsthand the growth The Water Council has collectively accomplished. We have come a long way from concept, to a vibrant, thriving organization and could not have achieved this exciting expansion and growth without strong member support, and for that we are very grateful.

When the tide lifts up, it lifts everyone up with it.

Rich Meeusen, Co-Chair
President/CEO/Chairman
Badger Meter, Inc.

Paul Jones, Co-Chair
Retired Chairman
A. O. Smith Corporation

LEADERSHIP STRATEGY

The Leadership Strategic Vision is a high-level, opportunity-driven vision designed to communicate the organization's trajectory and key next directions. The role of the strategic framework is to sharpen the focus of The Water Council going forward, identify priorities, clearly articulate how time and resources will be directed, and define initial responsibilities. The outline below explains the three overarching strategic directions.

LEAD & SHOWCASE

1 Enhance Our Leadership Position as the Water Center of Excellence

Grow as a global destination for integrated water solutions through innovation, application, and demonstration

R&D

2 Target R&D on Global Needs

Support star talent to meet global needs, lead, and attract investment

CONNECT

3 Grow international Market Readiness, Networks, and Talent

Elevate our impact on global challenges as we expand into new markets

KEY EVENTS

Channels to expand your network

7TH ANNUAL WATER SUMMIT MAKES A SPLASH

[Water Summit 2014 'Thriving in the Global Water Economy'](#) reached record attendance levels drawing over 400 participants from 15 states through a curation of speakers from around the world, including the International Water Association Board of Directors.

WISCONSIN WATER INNOVATION PAVILION AT WEFTEC

The 2014 Water Environment Federation Technical Exhibition and Conference (WEFTEC) welcomed the inaugural Wisconsin Water Innovation Pavilion. The Water Council, in partnership with the Wisconsin Economic Development Corporation, held a primary presence in New Orleans as the only U.S. state represented with a pavilion, showcasing Wisconsin's leadership and potency in the water sector.



CONNECTING MEMBERS

[Quarterly Member Meetings](#) provide current Water Council members an opportunity to stay ahead of the current with first-hand insight into the latest water technologies and industry opportunities. We encourage members to join us each quarter to connect with experts on the cutting edge of water research, technology and business development.

INVESTING IN WATER INNOVATION WEEK

In light of the announcement from JPMorgan Chase & Co. naming The Water Council as part of their Small Business Forward program, an inaugural 'Investing in Water Innovation Week' was set in motion. The week consisted of daily events to connect investors and entrepreneurs in the water industry including a 'meet and greet' with BREW winners and panel discussion highlighting opportunities in water investment.



Inaugural Wisconsin Water Innovation Pavilion at WEFTEC 2014.

**"MILWAUKEE GETS IT...
THIS IS GOING TO BE THE
FRESHWATER CAPITAL
OF THE WORLD."**

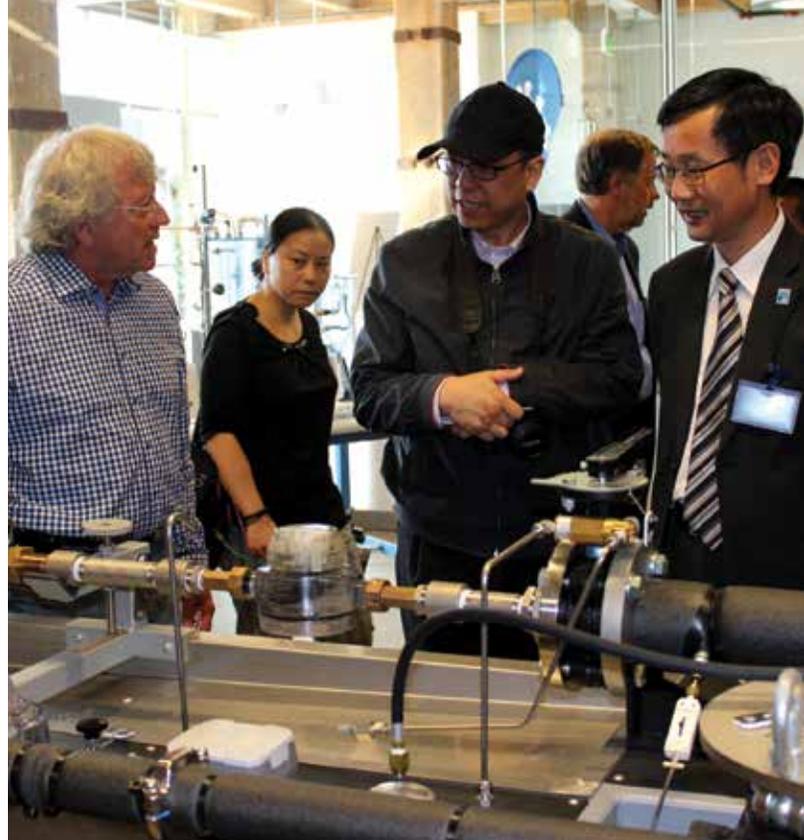
*- Administrator Gina McCarthy,
U.S. Environmental Protection Agency*

GLOBAL LINKS

Strengthening a borderless global hub

As The Water Council continues to evolve and move forward, our mission is also expanding and looking outward. We are placing a greater emphasis on leveraging our skill sets and capacities to address global health and environmental challenges. This expansion of our mission is part of our responsibility as a United Nations designated Global Compact City - and one which is becoming the world's greatest resource for freshwater technology and expertise.

Pictured right: Business delegation from South Korea in the Global Water Center's Flow Lab.



16

ORGANIZATIONS

Became strategic partners with
The Water Council

The Water Council strengthened partnerships with 16 organizations from around the world, many include a Memoranda of Understanding (MoU).

Alliance for Regional Development - Illinois
Alliance for Water Stewardship - Germany

Defense Alliance - Minnesota

Imagine H2O - California

inno 360, Inc. - Ohio

International Water Association - The Netherlands

Overseas Private Investment Corporation -
Washington, D.C.

Pôle EAU - France

SWELIA Association - France

Syndicat des Eaux d'Ile de France (SEDIF)
- France

Tianjin Economic Technological Development
Area Eco Center (TEDA EC) - China

University of Wisconsin - Madison Law &
Entrepreneurship Clinic

Water Alliance - The Netherlands

Water Environment Federation - Virginia

Wisconsin Historical Society

Wisconsin Manufacturing Extension Partnership

10

CONFERENCES

Where The Water Council
presented

10 events in 5 countries where Dean Amhaus, President & CEO, presented the mission and collaborative approach of The Water Council and work of our members.

America's Legacy Cities - Massachusetts

Hydrogaïa - France

International Water Association World Water
Congress - Portugal

Phigenics' Smart Water Summit
- Washington, D.C.

POLLUTEC 2014 - France

Shared Waters Conference - Illinois

SSTI Conference - Illinois

Tianjin Municipal Engineering Design & Research
Institute - China

Water Alliance - The Netherlands

WEFTEC - Louisiana

24

COUNTRIES

Visited The Water Council for
water technology solutions

Representatives from 24 countries visited The Water Council in 2014.

Argentina, Brazil, Bulgaria, Canada, Chile, China, Czech Republic, Egypt, France, Italy, Korea, Mexico, The Netherlands, Nigeria, Pakistan, Peru, Serbia, Singapore, South Africa, Spain, Taiwan, Tanzania, Ukraine, United Kingdom

BUSINESS DEVELOPMENT

Growing innovation capacity

BREWING WATER ENTREPRENEURS

With its debut in 2013, The BREW (Business. Research. Entrepreneurship. in Wisconsin.) is the world's first place-based seed accelerator focused on solving global freshwater challenges. In partnership with the Wisconsin Economic Development Corporation, startups with commercialization potential receive up to \$50,000 in investments, subsidized space in the Global Water Center, training through the University of Wisconsin-Whitewater Institute for Water Business, mentorship from dozens of area water technology experts, and much more! In its second year, space in the accelerator expanded to include six winning startups and two runners-up.



2014 SNAPSHOT OF SUCCESSES FOR BATCH I & II

9 of 11 winners have patents granted or pending

Provided 12+ internships

Provided the equivalent of 35 full-time positions

Facilitated over 20 contracts, pilot sites or Memoranda of Understanding - many with active Water Council Members

Raised over \$1,275,000 in additional capital

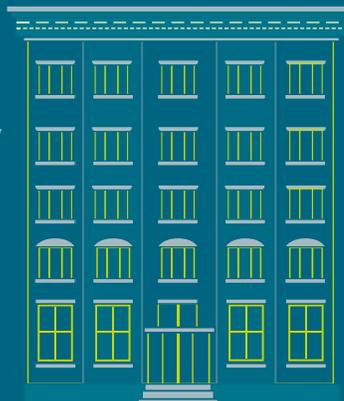


Pictured left to right: Nick Hayes and Marion Singer, WellIntel; Sunit Mohindroo, WatrHub; Randy Mueller, Cadens; Eric James, Hydro-Lite; Brad James, pHinding Solutions; Mark Raabe, Pellucid Water.



GLOBAL WATER CENTER FACTS

The Global Water Center is a state-of-the-art water business and research accelerator located in Milwaukee, Wisconsin, the heart of the most densely populated water-technology business cluster in the United States. The Center houses water-centric research and office facilities for universities, existing companies and accelerator space for entrepreneurs. In 2014, the building neared capacity and continued to be a magnet for foreign dignitaries and water technology businesses.



98k ft²
9104.5 m²



SMALL BUSINESS »» FORWARD »»

JPMORGAN CHASE & Co.

MATCHING CAPITAL WITH WATER INNOVATION

The Water Council was selected as one of 10 participants in the JPMorgan Chase & Co. Small Business Forward program, a national, five-year \$30 million grant program designed to boost small business support networks that help growing enterprises in specific industries. This partnership will match the investment community with water technology entrepreneurs in order to increase the amount of capital in water innovation.



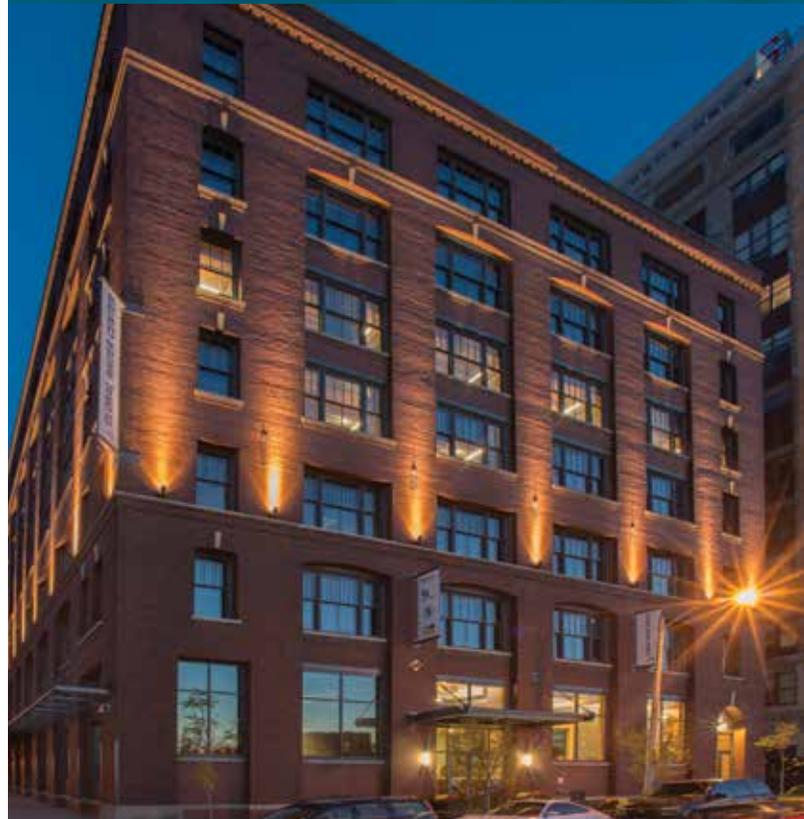
U.S. Small Business Administration

CENTER OF EXCELLENCE FOR SMALL WATER TECHNOLOGY BUSINESSES

The U.S. Small Business Administration awarded The Water Council one of four Regional Innovation Cluster contracts for FY2014. Under the SBA contract, The Council will create a Center of Excellence (CoE) for Water Innovation & Small Business Development to promote the growth and development of small and medium-sized businesses operating in the water technology sector - first in the Midwest and then across the United States. The CoE will provide small business services including technology transfer, export training, matchmaking, connections to capital, and mentorship.

"THE WATER COUNCIL HAS MADE GREAT PROGRESS ENSURING MILWAUKEE'S PLACE AS A WORLD WATER LEADER. BY WORKING WITH THE U.S. SMALL BUSINESS ADMINISTRATION, THE WATER COUNCIL CAN NOW EXTEND ITS EXPERTISE TO SMALL BUSINESSES ACROSS THE UNITED STATES."

- U.S. Senator Tammy Baldwin



BREW II
WINNERS



WATER TECH
START-UPS



Water related
organizations



150+

EMPLOYEES



— VISITING — US GOVERNMENT ★ OFFICIALS ★



EPA Administrator
GINA MCCARTHY



Senator
TAMMY BALDWIN
Senator
RON JOHNSON



French Ambassador
FRANÇOISE DELATTRE



Tanzanian Ambassador
LIBERATA MULAMULA

RESEARCH & INNOVATION

Accelerating sustainable solutions

RESEARCH ENGINE SUCCESSFULLY PURSUES BUSINESS CHALLENGES

The Water Equipment and Policy (WEP) Research Center is a collaborative organization of universities, businesses, and government agencies pursuing pre-competitive research in four areas that will benefit the water industry, including: materials, sensors and devices, systems, and policy. With headquarters in the Global Water Center, WEP operates under the auspices of the National Science Foundation (NSF) Industry/University Cooperative Research Center Program.

WEP 2014 SNAPSHOT OF SUCCESSES

7 organizations became new members bringing the total membership to 13

Received \$800,000 Partnership for Innovation grant from NSF, 3 members are collaborating on the project by matching the grant for a total of \$1.6 million

Research teams performed over \$1.5 million in industry/university sponsored research and were awarded \$1.7 million in additional, competitive NSF funding

Above right: Dr. Ai Nihongi with delegation from Ukraine in the Global Water Center's Optics Room. Below: Future home to Reed Street Yards, a Global Water Technology Business Park in Milwaukee.

HEIGHTENING STANDARDS OF GREEN INFRASTRUCTURE

Vegetal i.D., graduate of The Water Council's BREW accelerator, completed the installation of a green roof monitoring project on the rooftop of the Milwaukee Metropolitan Sewerage District (MMSD) Headquarters. The site will pilot new stormwater management solutions poised to bring green roof based stormwater management performance to a whole new level. This project is a collaboration between MMSD, Fund for Lake Michigan, UW-Milwaukee, UW-Whitewater, Vegetal i.D. and The Water Council.

GREEN MEETS BLUE AT WATER TECHNOLOGY BUSINESS PARK

Reed Street Yards (RSY) is one of Wisconsin's first Eco-Industrial Parks, a concept that seeks to balance natural resources and economic development. In 2014, RSY furthered its transformation from a brownfield to a 17 acre/6.9 hectares water technology business park with the completion of the infrastructure and revealing of plans for Water Tech One, a LEED® Platinum certified building. Multiple green and blue infrastructure technologies were incorporated into the overall design of RSY, including:

- State-of-the-art water filtration demonstration plaza
- Pervious pavement systems, bioswales and rain gardens for stormwater mitigation
- Wisconsin's first installation of "purple pipe" for greywater re-use





1ST GRADUATE SCHOOL IN NATION DEDICATED SOLELY TO STUDY OF FRESHWATER

University of Wisconsin-Milwaukee occupies the entire 7th floor of the Global Water Center with facilities dedicated to the commercialization of new water technology solutions. A year after the grand opening of the Center, UWM's School of Freshwater Sciences (SFS) celebrated the opening of its \$53 million research building just a short drive away. SFS maintains the largest academic research institute on the Great Lakes, and the only research vessel operating there year-round. Together with its legacy facility, the School features:

- Biosecure and quarantine labs for studying aquatic species, and aquaculture research labs
- Water policy center linking fundamental science with best practices in water management
- Great Lakes Genomics Center—the first DNA sequencing lab in the United States dedicated to water and environmental issues

200

THOUSAND ft²/19,000 m²
of research and classroom space
committed to freshwater



“OUR VISION IS THAT, SOMEDAY, WHEN A YOUNG ENTREPRENEUR HAS AN IDEA FOR A WATER TECHNOLOGY COMPANY, ALL HIS RELATIVES, FRIENDS AND NEIGHBORS WILL SAY, **GO TO MILWAUKEE... THAT'S WHERE IT'S HAPPENING.**”

- Rich Meeusen, Water Council Co-Chair

AWARDS RECEIVED

Writing a compelling story to tell the world

HONORS RECEIVED BY THE WATER COUNCIL

American Institute of Architects, Wisconsin Chapter - Merit Award for Global Water Center

BizTimes Nonprofit Excellence Award - Social Enterprise of the Year

Milwaukee Business Journal Eureka Award

Milwaukee Business Journal Real Estate Award - Best Public/Private Partnership for Global Water Center

Wisconsin Innovation Award

THE WATER COUNCIL THANKS THE FOLLOWING INVESTORS AND CONTRIBUTORS FOR THEIR GENEROUS GRANTS AND GIFTS IN 2014:

A. O. Smith Foundation Inc.

Badger Meter Foundation

Charles D. Ortgiesen Foundation

David & Julia Uihlein Charitable Foundation

Fund for Lake Michigan

Golden Angels Investors

Helen Bader Foundation

Holz Foundation

JPMorgan Chase Foundation

Lynde & Harry Bradley Foundation

Milwaukee 7

Milwaukee Area Workforce Investment Board

Milwaukee Public Schools – Arts & Humanities

National Science Foundation Options Grant

Pentair Foundation

Rexnord Foundation, Inc.

Richard & Ethel Herzfeld Foundation

U.S. Small Business Administration

VanHimbergen Family Fund at the Greater Milwaukee Foundation

Vollrath & Associates

Wisconsin Economic Development Corporation

EDUCATION

Building the water generation from K to Grey

TALENT DEVELOPMENT NETWORK

In 2014 The Water Council's Talent & Education Committee welcomed two new co-chairs, Joe Russell, President of Watertech of America, and Heather Koehn, Marketing Manager at Pentair, to help pave the way in achieving tremendous growth in programming. Under their leadership, more students, teachers and administrators were made aware of water as an industry and career opportunity.

2014 SNAPSHOT OF SUCCESSES

Over 20 members invested time in more than 25 talent-related events

Inaugural Water Career Fair with UW-Milwaukee School of Freshwater Sciences

Organized new H2O Speed Networking and Professional Development workshops

Supported Water Council student chapters which are poised for growth



LEADERSHIP

The Board of Directors of The Water Council generously donate their time, knowledge and passion for the water industry. Their leadership is vital to the success of The Council and we thank them for their contributions.

2014 WATER COUNCIL BOARD OF DIRECTORS

Rich Meeusen, Co-Chair
President/CEO/Chairman
Badger Meter, Inc.

Paul Jones, Co-Chair
Retired Chairman
A. O. Smith Corporation

Julia Taylor, Treasurer
President
Greater Milwaukee Committee

Todd Adams
President & CEO
Rexnord

Kirk Allen
President & CEO
Sloan Valve Company

Dan Bader
President
Helen Bader Foundation, Inc.

Tom Barrett
Mayor
City of Milwaukee

Steve Booth
President
Robert W. Baird & Company, Inc.

Glen Daigger
Senior Vice President & Chief
Technology Officer
CH2M HILL

Gary Grunau
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Grucon Group

Mary Jean Huston
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The Nature Conservancy

Dennis Klein
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John Matthews
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Matthews Strategic Services, LLC

Mark Mone
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University of Wisconsin - Milwaukee

David Ryder
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MillerCoors

Michael Saltman
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The Vista Group

Kevin Shafer
Executive Director
Milwaukee Metropolitan Sewerage
District

Lee Swindall
Vice President of Business and Industry
Wisconsin Economic Development
Corporation

Stephen Wells
President
Desert Research Institute

Rev. Robert A. Wild
Interim President
Marquette University

2014 WATER COUNCIL STAFF

Administrative

Dean Amhaus, President & CEO
Angela May, Executive Assistant & Office Manager
Wes Lamb, Bookkeeper

Business Development

Elizabeth Thelen, Director of Entrepreneurship & Talent
Scott Mosley, Director of Investment Strategies
Karen Frost, Small Business Program Manager

Marketing & Membership

Meghan Jensen, Director of Marketing & Membership
Isaiah Perez, Member Services & Development Coordinator
Ashley Janke, Communications Coordinator
Monica Pless, Event Coordinator
Ryan Matthews, Multimedia Specialist

Interns

Roley Behm, Colin Flanner, Alex Morganroth,
Kristian Vaughn

“THOUSANDS
HAVE LIVED
WITHOUT LOVE,
NOT ONE
WITHOUT WATER”

- W. H. Auden

HERE'S TO 2014

THANK YOU FOR A GREAT YEAR

Visit thewatercouncil.com/annualreport for a FULL online report!

THE WATER COUNCIL

Global Water Center

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