



Indianapolis wins 2017 Smart Cities Council Challenge Grant *National competition selects Indy for smart water + energy + transportation*

February 8, 2017 — Global Water Technologies (OTC: GWTR) is pleased to announce that its proposal submitted with the City of Indianapolis is one of five winners in the White House Commitment: Smart Cities Council Challenge Grants. Indianapolis, Austin, Miami, Orlando and Philadelphia were selected from more than 130 applicants in the national competition.

“Indianapolis’ culture of innovation and rapidly expanding tech industry provide strategic advantages to our smart city planning, specifically in the areas of water, energy and transportation,” said Indianapolis Mayor Joe Hogsett. “I am proud to see Indianapolis recognized as a national example of the potential for these technologies to improve local neighborhoods.”

“Our city has a vibrant and growing tech sector and we’re excited about the opportunities to showcase smart city solutions in areas that are increasingly important to our country,” said Erik Hromadka, CEO of Global Water Technologies. “We have a unique opportunity to show national leadership in deployment of smart solutions for water, energy and transportation. This recognition reflects years of hard work and investment in Indianapolis to create a world-class city.”

“This is great news for Indianapolis,” said City-County Councillor Vop Osili. “We need to use innovative technologies like smart water solutions to create more local jobs and further improve the quality of life in our neighborhoods.”

“Quality of life and economic vitality are completely intertwined in Indianapolis,” said Amy Conrad Warner, Vice Chancellor for Community Engagement at Indiana University Purdue University at Indianapolis (IUPUI). “Smart Cities is the perfect vehicle to leverage IUPUI expertise in engineering, energy, data management and information technology innovation to improve the effectiveness and efficiency of our city.”

The five winning cities in the Smart Cities Council Readiness Challenge Grant competition will host events and receive a package of professional services; access to best practices from some of the world’s top smart city practitioners; access to the expertise of leading smart cities technology providers in a vendor-neutral setting; the opportunity to learn from peer cities; and international recognition.

“Our members and advisors are the world’s leading smart city practitioners,” said Jesse Berst, Chairman of the Smart Cities Council. “We are bringing those experts together to help these cities craft action plans that are innovative, inclusive and ‘investment-grade.’ And then we are donating products and services worth hundreds of thousands of dollars to jump-start their efforts.”

The Smart Cities Council, formed in 2012, is the world’s premier consortium of smart city practitioners and experts and includes membership by the leading companies and innovators in the emerging Internet of Things (IoT) sector that uses advanced technologies to improve the efficiency of city services and the quality of life for city residents.

The Indianapolis application (executive summary below) highlights opportunities for Indianapolis and Central Indiana to serve as a leader in the areas of smart water, energy and transportation. These are three of the most important sectors and this opportunity to highlight an innovative and collaborative approach will place us at the front of the movement to create world-class cities.

The timing of this announcement is good for the city, as Indianapolis was featured at a smart city symposium in Chicago in January and Global Water Technologies outlined its smart water opportunities the same day at the Smart Water Networks Forum (SWAN) in San Diego. AT&T also announced this month that Indianapolis and Austin, Texas would be the first two test markets for its new 5G platform. In addition, the city’s 16 Tech initiative presents a unique opportunity to showcase smart technologies in a coordinated revitalization effort that includes education and inclusive community outreach.

This opportunity also allows the city to leverage recent funding announcements, including \$100 million from the Lilly Endowment for local human service agencies, state and federal funding for technology research and education in the city and \$2 million from U.S. EPA for water quality research. A renewed effort to fund infrastructure by the incoming U.S. administration may also be helpful in demonstrating innovation and best practices as a national example.

Background

Since 2011, Global Water Technologies has participated in a national initiative to build regional water clusters across the United States. The company has focused on emerging “smart water” solutions and proposed a living laboratory to show such benefits in the 16 Tech area located just north of downtown Indianapolis.

This area is strategically significant for both water and technology and the company has advocated for its support from city and state leaders. In 2015, Global Water Technologies was the first new company to take a small office in the area. In

February 2016, it hosted an international delegation in 16 Tech and demonstrated water innovations for regional and national water leaders. In November 2016, the company held a Water 2.0 event in Indianapolis to identify future opportunities in the emerging smart water/city sector.

In December 2016, the company assembled a project team to evaluate the Smart Cities Challenge Grant and shared information regarding the opportunity with entities including:

- City of Indianapolis
- 16 Tech (Central Indiana Corporate Partnership)
- Indiana University Purdue University at Indianapolis
- Citizens Energy Group
- American Water (regional utilities participation)
- AT&T Indiana
- State of Indiana (IEDC cybersecurity and innovation team)

Upon receiving positive feedback, the Indianapolis application was prepared with the city and IUPUI and submitted on December 31. The top 10 finalists were announced on January 31 and the five winning cities were selected on February 8.

The following information from the application is being shared as background and to provide context for award notification and anticipated next steps.

Additional information on the opportunity and relevant background is outlined in the following links:

<http://smartcitiescouncil.com/article/white-house-commitment-smart-cities-council-challenge-grants>

<http://smartcitiescouncil.com/article/meet-our-readiness-challenge-grant-finalists>

<http://www.smartcities-symposium.com/agenda.htm> (Indy panel on Jan. 25)

<https://www.swan-forum.com/swan-na-alliance/> (Indy presentation on Jan. 25)

<http://www.16techindy.com>

http://www.gwtr.com/smart_water_for_Indiana.pdf

<http://www.indybigdata.com/?portfolio=indianapolis-as-a-smart-city>

<https://cms.dot.gov/sites/dot.gov/files/docs/IN%20Indianapolis.pdf>

2017 SCC Grant application (executive summary)

The consolidated City of Indianapolis/Marion County is the state capital of Indiana and the twelfth largest city in the United States. Indianapolis rapidly grew during the 19th and 20th centuries into a center of commerce, transportation, and industry. However, the city suffers from many of the economic and social issues found in other large, aging metropolitan areas. As a result of its extensive commercial and industrial history, residents and businesses continue to deal with legacy water, energy and transportation infrastructure challenges.

The Indianapolis (Indy) vision for Smart Cities is to support a connected, healthy, resilient, inclusive, and competitive city. Technology provides a platform where we can realize this vision. By balancing innovation with stewardship, Indy's vision will achieve the best individual mobility for residents both economically and in areas such as water, energy and transportation. Connecting our systems of infrastructure, communications, emergency services, and data will enable the city to maximize resources, make smarter investments and attract talent.

A good example of current smart cities projects is the new 16 Tech innovation community that is being launched just north of downtown Indianapolis. Strategically located in an area that formerly housed the city's water company headquarters and its minor league baseball team, the area is beginning a transformation that will make it a national example of how old areas can be integrated into models of cutting-edge technology and still retain the character, history and inclusiveness of existing neighborhoods.

The former baseball field has already been rebuilt into a unique set of urban residential lofts that overlook both the city skyline and the old playing field. In late 2015, the City of Indianapolis approved \$75 million in bond funding for infrastructure improvements in the area, including significant water infrastructure projects and a new transportation link over Fall Creek, connecting the area to the downtown university campus and medical center.

Understanding the potential for 16 Tech to serve as the hub of smart city activities in Indianapolis, work has begun to design and implement a digital framework infrastructure across the 16 Tech campus upon which various services and technologies can be layered and deployed. This infrastructure will be complemented with a cross-connecting cloud management system to collect and analyze data from multiple sources and act as an operating system for the City. The 16 Tech digital infrastructure is essential to maximizing efficiencies in buildings while creating a larger network and digital hub that coordinates with the City's broader smart and connected communities strategy and by laying the foundational infrastructure necessary to integrate the City's digital layers, thus providing value by enabling the optimization of municipal services.

Streamlining collaboration accelerates the process and ensures coordination among ecosystem partners for advancing the broader smart and connected community vision. Key partners include 16 Tech, The City of Indianapolis, Cisco, relayr, AT&T and Indy Chamber of Commerce. Additional partners will be included as the project progresses in 2017.

While Indianapolis has a long history of successfully undertaking innovative approaches to “smart” solutions, many of these have been undertaken as individual projects. That is starting to change as the city takes action to formalize activities and stakeholders into a smart city framework that recognizes the importance of planning and coordination among sectors like energy, transportation and water.

In September 2016, an Indianapolis delegation attended Smart Cities Week in Washington D.C. to further this coordinated approach. The delegation included multiple department representatives and key stakeholders. The Mayor's Office, Department of Metropolitan Development, Department of Public Works, a data consulting firm and Visit Indy were all part of the delegation. Following Smart Cities Week, an internal smart cities working group was formed to develop a situation assessment report on the state of Smart Cities for Indianapolis to use as a decision-making tool and guide for developing a smart cities vision and strategy that fits into the city's future planning.

Indianapolis also has unique assets and resources that provide strategic advantages to its smart cities planning and specifically in the areas of water, energy and transportation.

In water, city infrastructure systems are operated by Citizens Energy Group, a public charitable trust that was set up to manage natural gas assets and took over the water and wastewater systems in 2012. Citizens has undertaken several innovative projects, including the creation of a new drinking water reservoir in a repurposed rock quarry to extends water supply and construction of 28 miles of 18-foot diameter underground tunnels to reduce combined sewer overflows.

Moving forward, use of smart water technologies, including real-time consumption and leak detection sensors can provide better service for water customers and more efficient distribution for the water utility. Data collected from the smart tools can be used to reduce water loss and identify areas of increasing leakage and cases of water theft that generate waste in the system and higher costs to customer who end up paying for such “non-revenue” water.

In energy, Indianapolis has been at the forefront of the transportation electrification movement for a number of years. Energy Systems Network (ESN), a non-profit organization headquartered in Indianapolis, has been focused on accelerating the energy technology sector since 2009, when it launched an initiative called Project Plug-IN. ESN gathered partners from a variety of industries and backgrounds to

work together to begin a deployment of electric vehicle and smart grid technologies in central Indiana.

The Indianapolis International Airport is home to the largest airport-based solar farm in the world. Just north of the city is MISO, an essential link in the safe, cost-effective delivery of electric power across all or parts of 15 U.S. states and the Canadian province of Manitoba. As a Regional Transmission Organization, MISO assures consumers of unbiased regional grid management and open access to the transmission facilities under its functional supervision. Coordinating these resources with the smart energy plans for Indianapolis is a great opportunity.

In transportation, the city is investing in infrastructure like the newly opened \$25.5 million transit center that connected all neighborhoods to the downtown hub and provides real-time data on bus routes and locations. The BlueIndy car sharing program is also helpful to younger residents who choose not to own personal vehicles and its 200 locations include a wide range of neighborhoods.

Indianapolis must bring transportation innovation into the way our infrastructure is built, programmed, and connected, into the way our systems work together to promote mobility and system efficiency, into the way our users access and pay for the network, and into the way we make investments for the long term that are data-driven yet flexible. A smart corridor model will include the planned electric-bus rapid transit network, downtown arterial grid, and major commuting arterial streets as sites for integrated transportation technologies.

In addition there are a number of ways that water + energy + transportation interact among their respective sectors that provide opportunities for efficiency and better service for city residents. Taking steps to plan and integrate new technology solutions will make Indianapolis an example of smart city success.

Next Steps

Indianapolis will host a readiness workshop in 2017 with invited stakeholders from across the region to review the progress made to date and plan future opportunities for improving the quality of life through deployment of smart water, energy and transportation solutions. The city will also have access to world-class technologies, platforms and expertise from the leading companies and organizations in the smart cities and IoT sectors. Details and dates will be shared as they become available.

For more information, contact Erik Hromadka with Global Water Technologies at ehromadka@gwtr.com or Lauren Riga with the City of Indianapolis at lauren.riga@indy.gov

More information about Global Water Technologies is available at: www.gwtr.com

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