

## 2. Project Narrative

### a. Executive Summary

Applicant:	American Water Works Association Denver, CO <a href="http://www.awwa.org/">http://www.awwa.org/</a>
ITA/other federal collaborators	<b>Maureen Hinman</b> – Environmental Technology Trade Specialist, U.S. Department of Commerce <b>Patrick Santillo</b> – Senior Commercial Officer, Singapore <b>Paul Bergman</b> – Director of U.S. Commercial Service, Denver, CO <b>Shiqiao Chen</b> – Commercial Specialist, Shanghai, China <b>NG Haw Cheng</b> – Commercial Specialist, Singapore <b>Shereen m. Abu Gharbieh</b> – Commercial Specialist, Dubai, UAE <b>Ryan Kane</b> – International Trade Specialist – Standards and Certifications <b>Theresa Wagner</b> – Commercial Specialist, Sao Paulo, Brazil <b>Tobias Wester</b> – Commercial Specialist, Frankfurt, Germany
Federal share/match:	\$299,955/\$608,682
Project Period:	October 2014-September 2017
Exports:	Project Period \$14,069,388 4 years after project \$15,476,327
Foreign markets/regions targeted:	Europe, South America, Middle East, and Asia
Size foreign markets targeted: Current U.S. share	\$566.8 million <sup>1</sup> \$6.73% <sup>2</sup>
U.S. industry promoted	Water
Project description	<ol style="list-style-type: none"> <li>1. Host four U.S. pavilions at International Water Shows</li> <li>2. Trade mission to South America</li> <li>3. Establish and staff office in India</li> <li>4. Partially fund an “AWWA Ambassador” position in target markets to promote AWWA Standards and water supply practices and the technologies U.S. companies have built using those Standards and practices</li> </ol>

<sup>1</sup> Global Water Market 2014 by Global Water Intelligence

<sup>2</sup> Environmental Business International, 2011 US Environmental Trade Balance

## **b. Background**

### Competitive position of U.S. water industry and market potential

The global water industry business is comprised of managing water supply and treating wastewater for residential, industrial, commercial and agricultural end users. It is divided into two segments – utilities and infrastructure. Utilities deliver municipal and rural water and wastewater services. Infrastructure encompasses the sale of equipment, technology and services to water utilities.

Over the course of the last century, hardworking men and women have developed safe and reliable water systems across North America that help sustain local economies, safeguard public health, ensure customer satisfaction, and protect vital environmental resources. The high quality of water services in North America are a reflection of the expertise and sophistication of the U.S. water industry and beyond, one which is technically sophisticated and serves as a model for the world. Indeed, systems that have achieved sustainable success serve as models and global leaders for the rest as they follow the path of continuous improvement and implement industry best practices. The U.S. market today is large, sophisticated, and mature and new growth will likely occur overseas as foreign markets increasingly look to the U.S. model to solve their problems. American Water Works Association, as the oldest, biggest, and most researched-focused nonprofit organization, is the natural fit to lead this export development charge.

### AWWA and the water industry's resources

Established in 1881, the American Water Works Association (AWWA) is uniquely poised to leverage its 50,000 members (including over 900 manufacturer companies) for export success. This breadth of membership allows AWWA to match the right export and technology to overseas needs. In addition, AWWA can successfully recruit for pavilions and other international engagements. With a staff of 157 and an annual budget of \$28.3 million, AWWA provides solutions to improve public health, protect the environment, strengthen the economy, and enhance our quality of life.

One of the prominent services and products that AWWA delivers is the development of Standards for the water industry. AWWA Standards represent a consensus of the water industry and are developed following procedures defined by committees under the AWWA Standards Council and accredited by the American National Standards Institute (ANSI). Accreditation signifies that procedures used by AWWA in connection with the development of American National Standards meet the Institute's essential requirements for openness, balance, consensus, and due process.

AWWA Standards provide requirements for design, installation, performance, and manufacturing of products used in the water industry, including pipe, chemicals, storage facilities, valves, meters, and other appurtenances. AWWA Management Standards provide industry-recognized consensus requirements and practices for water utility management and operations. As a result of this historical and critical service as an international standards-setter, AWWA is in a unique position to create an enabling environment for U.S. products through the education and adoption of these standards across the globe.

AWWA is the aggregator of best practices in the industry and transferring this knowledge abroad increases the likelihood that U.S. products and services will be selected.

### Worldwide water demand

Safe drinking water is scarce – either the lack of adequate water or lack of access to safe water. Today, 780 million people in the developing world lack access to safe and sufficient water and spend an estimated 200 million hours per day collecting water. Water is the foundation of life and still today, all around the world, far too many people spend their entire day searching for it. In places like sub-Saharan Africa, time lost gathering water and suffering from water-borne diseases is limiting people's true potential. Population growth and expanding economic well-being is fueling demand for water faster than the sustainable supplies can satisfy. This is especially relevant in the developing world where infrastructure lags far behind the developed world. Education is lost to sickness and economic development is lost while people merely try to survive.

### Target market economic conditions and likelihood of U.S. exports to select countries and regions

The global market for water and wastewater treatment and distribution for domestic and industrial users is worth \$556.8 billion. It is expected to grow at a rate of approximately 3.9% per year through 2018. There are five major themes that are driving growth in the water sector.

1. **Growing water scarcity:** As demand for water grows in areas with limited natural resources, the cost of developing new resources may be exponentially greater than the existing water sources. Capital expenditure on water resource development (not including water transfer) is set to grow at an annual rate of 4.4% over the years through 2018. The growth rate for capital expenditure on seawater desalination will be 19.2%.
2. **The need for better sanitation in rapidly growing cities:** Wastewater collection, treatment and sludge management are the forgotten necessities of urban life. Overall, capital expenditure on wastewater is growing by 5.0% per year, but certain niches such as anaerobic digestion (9.7%) and aeration (6.2%) are growing more quickly.
3. **Pressure to deliver better performance:** Water utilities are under greater pressure than ever to do more for less. Technologies which can help them achieve this will be in greater demand. The market for systems related to smart water networks, including automation control and metered water networks, is expected to grow at 9.8% per year.
4. **Managing the effluents from the resources industries:** The pursuit of more marginal energy and mineral resources is bringing with it a whole new set of water-related treatment challenges. The market for equipment for the oil, gas and mining industries is expected to grow by 13.0%.
5. **Growing corporate awareness of water risk:** Businesses – and their investors – have become sharply aware of how water may impact their brands, their production, and their supply chains. Businesses are expected to increase their investment in water and wastewater treatment technology equipment by 7.2% per year.

**Water supply and sanitation in South/Latin America** is characterized by insufficient access and in many cases by poor service quality, with detrimental impacts on public health. Water and sanitation services are provided by a vast array of mostly local service providers under an often fragmented policy and regulatory framework. The financing of water and sanitation remains a serious challenge. Access to water and sanitation remains insufficient, in particular in rural areas and for the poor. All together, 50 million people or 9% of the population of Latin America and the Caribbean did not have access to

improved water supply and only 51% of the population has access to sewers. Only an estimated 15% of the collected wastewater finds its way into wastewater treatment plants, which often are not properly functioning. The highest water use can be found in some utilities in Chile and Argentina, where water resources are abundant and water use is almost 500 liter/capita/day. The lowest water use is in Aguas de Illimani serving La Paz, the capital of Bolivia, with less than 50 liter/capita/day. The two most common measures of operation efficiency are labor productivity and non-revenue water (water losses). In terms of labor productivity, the most productive utilities have less than 2 employees per 1000 connections. The average of the sample is about 5 employees per 1,000 connections. Concerning non-revenue water, the average of Latin American utilities in the sample considered is 40% and thus much higher than estimates of efficient levels, which vary between 15-25%.

#### Region Anchor Country – Brazil:

The problems associated with water pollution are more evident in Brazil's urban centers due to untreated sewage discharge into various bodies of water. For this reason, actions to protect or recover watersheds that are subject to population pressure through the expansion of sewage collection and treatment are a priority. The Brazilian government aims to provide universal access to basic services (water supply and sanitation) as a social right by 2030. In order to achieve this goal, specific targets were established in the National Sanitation Plan for each region of the country, taking into consideration the distinctive features of each area. State water utilities (SABESP in particular, in the state of Sao Paulo) are increasingly interested in integrating advanced treatment processes in the infrastructure they operate. As a consequence, there will be more opportunities for foreign water companies in the Brazilian municipal market. However, an alliance with one of these domestic conglomerates is highly recommended.

**Water Supply and Sanitation in Asia** is plagued by weak water resource management of quantity and quality, intermittent water supply in most cities, variations in service by market segment, and high coping costs for consumers. Almost one in five people in South Asia still lack improved water sources, despite significant progress made in recent years and the availability of many technically feasible and low-cost solutions. The costs of inadequate water supply and sanitation are high: 1.6 million children die every year from diarrhea, mainly as a result of inadequate sanitation, water supply, and hygiene. The key challenges are:

- **Reliability** – in urban areas, water is never distributed for more than a few hours a day, while in rural areas many hand pumps are defunct due to insufficient maintenance.
- **Financially unsustainable** – many systems do not recover operation and maintenance costs from user charges.
- **Environmentally unsustainable** – (especially in India), over-exploitation of ground water for irrigation purposes, as a result of highly subsidized electricity. The contamination of ground water by agricultural runoff and improper use of sanitation facilities are affecting the quantity and quality of water available for human consumption.
- **Affordability** – Despite subsidies, costs are high because of a lack of other options. The poor suffer the most.

#### Region Anchor Country - India:

Wastewater treatment and the reuse market will grow steadily with continued increases in standards of living for a vast population. Municipal and industrial wastewater treatment and reuse will be the biggest and most exciting area for future growth in India. It is a priority area for development for the government. The other growth area in the Indian water market will be

continuous water supply projects, along with non-revenue water reduction and widespread metering projects in class 2 and 3 cities in India. This is a priority area for development in the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) phase II infrastructure funding program of the central government.

**Water Supply and Sanitation in Europe** is the responsibility of each member state. Water resources are limited and supply and sanitation systems are under pressure from urbanization and climate change. The European Commission report noted that the wastewater treatment situation in Europe is still very unsatisfactory and that none of the deadlines have been met by all member countries. The report noted that pollution parameters such as nitrogen levels remained high. The reason is that much of the nitrogen pollution comes from non-point sources in agriculture and the still insufficient nutrient removal by wastewater treatment plants. Average connection rates between 80%–90% are reported for Northern, Southern and Central Europe. Eastern Europe still copes with much lower rates of 40%–65% of the population connected to primary waste water treatment at least.

Region Anchor Country – United Kingdom:

The water and wastewater sector in the UK is facing numerous challenges. The varied approaches to the sector by the devolved governments combined with climate change, water scarcity, and population growth highlight the need for increased efficiency and cooperation between all actors in the industry. Water reform is a major agenda that will be taking precedence over the next few years in England and Wales. Innovation is important to the development of the water industry in England, Wales, and Scotland. Innovative approaches and systems are required to achieve sustainability, cost savings, and customer demands. The water and wastewater sector is inherently conservative, as is expected with the nature of the product they supply. However, in light of the changing sector and the fluidity of the natural environment, companies are now embracing innovation. These companies are aiming to be the leaders in the market, and adopt new processes quickly to gain benefits faster.

**Water Supply and Sanitation in the Middle East** relies heavily on technology to guarantee their water supply. In the Middle East 15 countries are at 'extreme risk' of danger to their water security. Accessing ancient geological aquifers for stored groundwater is slowed by lack of sustainable use and management of resources. When groundwater supplies started dwindling, desalination became the next option, the primary social-water-feeder. If climate projections stay on their current path, the drought situation in North Africa and the Middle East is going to get progressively worse. A severe combination of rapid population growth, unemployment, and poverty is exacerbated by perhaps the most intractable of long-term issues, water scarcity. Poor water management exacerbates the problems caused by the diminishing supply and increasing demand for water. Inefficient irrigation techniques, poor crop selection, and unclear water sharing arrangements contribute to the mismanagement of available water.

Region Anchor Country – Saudi Arabia:

Saudi Arabia is in many ways a very mature market for water and wastewater services, particularly desalination. Budgets have remained high, and the Kingdom will continue to be one of the most significant global markets for water and wastewater infrastructure spending. It has so far remained relatively immune to the global and regional financial crises that hit infrastructure spending in other parts of the world. 2013 was a significant year for the National Water Company, as the appointment of private advisors means that its long-awaited

privatization plans started to take shape. With the country increasingly looking to cut back on domestic fuel consumption and exploit nuclear, solar or wind power for its energy backbone, membrane desalination is likely to become the favored technology of choice. This should open up the world’s biggest large-scale desalination market to a whole new range of potential contractors. In the wastewater treatment market, the move towards operating and financial efficiency will do what regulations on disposal have done in other parts of the world – create a market for improved treatment technology.

### c. Project Description

#### 1. Host four U.S. Pavilions at International Water Shows

AWWA will host a total of four USA/AWWA Pavilions in 2015, 2016, and 2017 to help AWWA’s U.S. manufacturers, contractors, and consultants expand their market overseas to sell products and services based on the regions of Europe, South America, Middle East, and Asia. Since these water shows attract a worldwide audience, these U.S. pavilions will make the U.S. industry more visible to visitors anywhere in the world. As the oldest established American water association that can leverage its membership, expertise, and standards, AWWA is in a unique position to promote the U.S. brand working in coordination with the U.S. Department of Commerce to remedy what the industry has described as a deficit of U.S. pavilions at key international water technology exhibitions. We will also be undertaking a trade mission to South America/Brazil for our manufacturers, and looking into exhibition at a new water show being introduced in Brazil by Aquatech. Through coordination with Commercial Service posts, we have targeted the following shows as those that we will pursue regarding a USA Pavilion with a final decision pending award.

<b>Conference</b>	<b>Dates</b>	<b>Attendees</b>	<b>Exhibits</b>	<b>Frequency</b>
<b>Wasser Berlin</b>	April	31,000	631	Biennial
<b>Aquatech China</b>	June	35,000	1,000	Annual
<b>IE Expo/IFAT China</b>	Spring	24,000	750	Annual
<b>WETEX - UAE</b>	April	15,500	1,300	Annual
<b>IFAT Munich</b>	May	29,000	2,939	Biennial
<b>IndoWater – Indonesia</b>	July	9,000	450	Biennial
<b>WaterEX World Expo – India</b>	June	32,000	1,015	Biennial
<b>Water Today’s Water Expo – India</b>	February	15,000	143	Biennial
<b>Singapore International Water Week</b>	June	20,000	750	Biennial
<b>South America/Brazil Trade Mission</b>	To Be determined	15 companies	N/A	N/A
<b>New Water Show in Brazil by Aquatech</b>	2015/2016			

We have determined that the above water shows are successful in attendance numbers and attracting the audience that our U.S. manufacturers, contractors, and consultants want to target for product sales. In addition, these shows are of the most interest to our manufacturer members. In the Pavilion, AWWA will promote/educate attendees at the international conferences about AWWA Standards to help advance the adoption in the international countries/regions. Where possible, we will ask for a place on the technical program to speak about AWWA Standards. Adoption will help increase the U.S. manufacturer's ability to sell products in target markets.

We will be hiring Kallman Worldwide, a well-established global marketing facilitation company. Kallman has been helping U.S. companies plan and implement their international sales and marketing strategies for over 50 years. Kallman is best known for its USA trade show pavilion management skills. Kallman's services also include global market intelligence education and introductions to key buyers, regulators, investors, and journalists. In advance of applying for this MDCP award, AWWA and Kallman are piloting the development of a U.S. pavilion at Singapore International Water Week (SIWW) in June 2014 and June 2016 based upon feedback from the industry that a U.S. pavilion at that particular event would enhance the industry-wide recognition and growth. To date, the USA/AWWA Pavilion at SIWW in 2014 is 100% sold and we have needed to expand the exhibit space from our initial footprint. AWWA and Kallman Worldwide together form a strong partnership and together we can work with manufacturers to help them export their products and services overseas.

AWWA has over 900 manufacturer members and we will be reaching out about the Pavilions and Trade Mission to all of our members, non-members, and water clusters in the U.S. that bring new technology to the marketplace. For example, listed below are some of the Service Provider members that have joined or expressed interest in our Singapore Pavilion:

<u>Company Name</u>	<u>Website</u>	<u>2012/2013 Sales Revenue</u>	<u># Employees</u>	<u>Involvement</u>
Mueller Co.	<a href="http://www.muellercompany.com">www.muellercompany.com</a>	\$1.12B	3,900	exhibiting at USA/AWWA Pavilion at SIWW
Calgon Carbon	<a href="http://www.calgoncarbon.com">http://www.calgoncarbon.com</a>	\$562.26M	1,490	exhibiting at USA/AWWA Pavilion at SIWW
MaintStar	<a href="http://www.maintstar.com">www.maintstar.com</a>	\$1.7M	20	exhibiting at USA/AWWA Pavilion at SIWW
Wachs Utility Products	<a href="http://www.ewachs.com/Water-Utility">www.ewachs.com/Water-Utility</a>	\$50M	1	exhibiting at USA/AWWA Pavilion at SIWW
NeoTech Aqua Solutions	neotechaqua.com	\$1.3M	11	exhibiting at USA/AWWA Pavilion at SIWW
Resin Tech	<a href="http://www.resintech.com">www.resintech.com</a>	\$120K	51	exhibiting at USA/AWWA Pavilion at SIWW
Amer. Cast Iron Pipe Company	<a href="http://www.american-usa.com">http://www.american-usa.com</a>	\$264.9M	2,500	Interest in South America/Brazilian market
Itron	<a href="http://www.itron.com">www.itron.com</a>	\$2.18B	8,500	interest Int'l Pavilion

Ford Meter Box	<a href="http://www.fordmeterbox.com">www.fordmeterbox.com</a>	\$175M	600	Interested in learning more about International Pavilions
LaMotte	<a href="http://www.lamotte.com">www.lamotte.com</a>	\$16.5M	108	Interested in learning more about International Pavilions
USA Tank	<a href="http://www.usatanks.com">www.usatanks.com</a>	\$36.41M	208	Interested in the USA/AWWA Singapore Pavilion
ERDCO	<a href="http://www.erdco.com">www.erdco.com</a>	\$7.8M	50	interested in the USA/AWWA international Pavilions
Zoeller Company	<a href="http://www.zoeller.com">www.zoeller.com</a>	\$141.44M	300	interested in the USA/AWWA international Pavilions
Anue	<a href="http://www.anuewater.com">www.anuewater.com</a>	\$830K	7	interested in the USA/AWWA international Pavilions
In-Pipe Technology	<a href="http://www.in-pipe.com">www.in-pipe.com</a>	\$22M	12	interested in the USA/AWWA international Pavilions
Singer Valve	<a href="http://www.singervalve.com">www.singervalve.com</a>	\$1.9M	28	interested in the USA/AWWA international Pavilions
Blount International	<a href="http://www.blount.com">www.blount.com</a>	\$927.7M	4,700	interested in the USA/AWWA international Pavilions
Proco Products Inc.	<a href="http://www.procoproducts.com">www.procoproducts.com</a>	\$3.5M	26	interested in the USA/AWWA international Pavilions
RWL Water Group	<a href="http://www.RWLwater.com">www.RWLwater.com</a>	\$12.2M	160	interested in the USA/AWWA international Pavilions

Kallman will provide to AWWA the following services for a \$20,000 fee for the USA/AWWA Pavilion for each show or trade mission:

- Liaise with local U.S. Embassy officials to provide maximum interaction with U.S. government officials before and during the event
- Submit the Trade Fair Certification
- Liaise with event organizer's media office to generate maximum publicity for the Pavilion



- Booth location selection
- Sell booth space to AWWA's members and customers
- Purchase of booth space
- Booth design consultation for gathering requirements
- Creation of renderings and brochure
- Ordering of all utilities (internet, electrical, water, compressed air, rigging for handling signs, lead retrieval)
- Ordering of audio visual equipment
- Paying for all orders
- Stand design approval
- Completion of show forms
- Assistance with hotel selection
- Assistance with Visas if needed
- Assistance with airport pickups
- Catering for show floor
- Hiring of local staff, hostesses, and translators
- Sourcing local printers in country
- On-site management of Pavilion
- Manage on-site booth with AWWA Staff

In addition we will help defray our manufacturer's exhibit fee at the USA/AWWA Pavilion at the four selected water shows.

Specific work plans and milestones include the following:

Work Plan:

- Determine which shows and trade missions will provide the most value to our members in Q3 2014
- Work out agreement with Kallman Worldwide to execute the shows from start to finish with AWWA as a partner Q4 2014
- Create exhibit prospectus for shows/mission Q4 2014
- Sell exhibit/mission space Q4 2014 through Q4 2017
- Execute USA/AWWA Pavilions

### Sustainability of International Pavilions

AWWA goal is to develop a sustainable international pavilion program, where we continue beyond the three years in coordination with the U.S. Department of Commerce, into successful conferences and markets, particularly those identified through the Trade Fair Certification Program. We would expect the footprint of the Pavilions to grow per show year over year. As new water shows are introduced, we would continue to evaluate the best shows for our customers based on export potential.

## 2. Trade Mission to South America/Brazil

We will work with Kallman Worldwide to plan, coordinate and implement a water technology-focused executive trade mission to Latin America. A possible scenario is a one-week long itinerary that brings

U.S. water technology companies to Bogota, Columbia; Lima, Peru; and Sao Paulo, Brazil – spending two days in each country.

We believe these destinations offer significant potential for U.S.-made water technologies. We would target 15 U.S. companies to take part in the executive trade mission. Specific components of the trade mission that Kallman will provide for this trade mission include:

- Planning and coordinating the timing, structure, and routing of the mission – including researching and recommending specific flight itineraries within Latin America.
- Negotiating with hotel properties to secure guest room blocks in each location.
- Arranging and delivering ground transportation, including airport transfers, in each of the cities included on the mission.
- Creating and distributing mission recruitment/promotional materials electronically and in print format to potential mission participants.
- Collecting and distributing pre-mission market intelligence materials to participants, and hosting a pre-mission webinar to further prepare them.
- Creating and distributing printed mission itineraries, luggage tags and other logistical aides to each mission participant.
- Hosting an evening welcome reception and dinner for mission participants on the first night of the mission.
- Organizing a group market briefing by relevant U.S. government officials in each city.
- Arranging a group market briefing by relevant host-government water utilities in each country.
- Setting-up individual meetings at specific host-country government agencies which could include, where relevant, Ministries of Public Works, Energy, Environment, Commerce, Finance, Mining, Health and Agriculture.
- Arranging for a minimum of three additional one-on-one meetings for each participating company in each of the three cities, based on each company’s stated requirements and goals.
- Organizing a group tour of at least one water treatment facility in each city.
- Supplying one simultaneous interpreter at group briefings/tours and to be available on an “on call” basis during additional daytime meetings.
- Providing one Kallman staff member to accompany the mission from its arrival in Bogota
- Offering pre-travel advice and on-site routine and emergency concierge services to mission participants.

AWWA also helps defray U.S. manufacturers, contractors, and consultant members attending the trade mission to help them with the cost of attending/exhibiting at the show.

### 3. Establish and staff an office in India

AWWA will establish an office in India staffed by an AWWA employee or contractee. The purpose of the office is make contacts with the water industry of India (including utilities as well as governmental departments), determine their needs and then match those to a solution from AWWA offerings or those of our members, such as identifying a sister utility in the U.S. for technical exchange or identifying a set of manufactured products that meet market needs. This will include working through the AWWA membership structure to create matchmaking arrangements between the AWWA Indian office discovered need and a U.S. solution provider. The employee/contractee will act as facilitator between the entity with the need and the supplier of the solution.

Research indicates that Indian utilities plan to spend \$2.9 billion in operating expense during 2014 and Indian water industrials plan to spend \$899 million in equipment expenses in 2014 with two-thirds of the industrial expenditures being for equipment. India's history with AWWA has already demonstrated that there is market for AWWA publications, expertise, and training. The Indian water supply and sanitation research has established a large potential market for U.S. solution providers over a long-term period. The AWWA India office will provide an overt marketing effort to foment this relationship and actively contract and provide packaged training services directly to utilities. Through this conduit, India's water industry needs for equipment and services will be discovered first-hand through the office and be matched through AWWA network of member manufacturers and consultant services.

#### Major job duties:

- Establish contacts with leading Indian utilities, governmental agencies/departments, and water technology academic institutes
- Actively market AWWA publications, conferences (domestic and international), and training material
- Represent AWWA at local conferences and exhibitions
- Facilitate training at selected locations
- Maintain a membership network within India
- Introduce Indian water industry entities to USA manufacturers, contractors, and consulting services
- Interface with Indian water associations
- Provide monthly reports of activities and budgetary items

#### Summary of key qualifications:

- Fluent in English and native languages
- Five years of water industry experience
- Bachelor's degree in engineering, business administration, or environmental sciences
- Commensurate communication, problem-solving, and salesmanship skills
- Ability to travel within the Asian region

#### Specific work plans and milestones include:

##### Work Plan:

- Lease office space – desk, meeting room, maintenance, receptionist
- Furnish office with equipment – computer, internet access, phone, copier/printer, operating supplies
- Hire AWWA employee/contractee – Indian native
- Train AWWA employee/contractee – on-site and at AWWA HQ
- Create budget of office operations – services, supplies, promotions, travel, training, entertainment
- Provide AWWA material – standards, manuals of practice, training modules, books, membership material
- Establish quarterly and annual metrics of performance

#### Phases with Milestones:

- Select office site – Q1 Y1

- Hire employee/contractee – Q1 Y1
- Train employee/contractee – Q1 Y1
- Set up office – Q1 Y1
- Visit prime sites (government, utilities, universities, service providers, engineering services) and create contacts and needs analysis – Q2 Y1 – Q4 Y3
- File activity reports quarterly - Q2 Y1 – Q4 Y3
- Represent AWWA at major events – Q3 Y1 – Q4 Y3
- Conduct promotional campaigns per needs analysis – Q3 Y1 – Q4 Y3
- Conduct training sessions - Q3 Y1 – Q4 Y3

#### Sustainability of AWWA Indian Office

It is AWWA's goal to create a permanent office within the Indian sub-continent and continually develop a better understanding of the market needs and trends within that region. In November 2013, David LaFrance, Executive Director of the American Water Works Association (AWWA), and Nilaksh Kothari, an Indian native, International Council Relationship Manager for India and past AWWA President, conducted a business assessment trip to India. This trip involved meetings with utilities, government offices, consulting organizations, manufacturers, academics, and U.S. Commercial Services. All of this was to explore the water market in India, establish business contacts and perform the background research for moving forward with an Indian office of AWWA. AWWA is aware that establishing an office in India has challenges, but is committed to the region. In addition, it is an overall objective to grow the opportunities for manufacturers, contractors and consultants, and AWWA members in the region.

#### 4. Partially fund an "AWWA Ambassador" position to promote AWWA Standards and water supply practices in target markets and the technologies U.S. companies have built using those Standards and best practices

Information has been compiled about which water-sector companies are actively pursuing business in these primary target markets: Japan, Korea, Germany, Singapore, India, Australia, and the U.K. A strategic plan has been created to approach each identified company to discuss potential partnering with the goal of raising in the target markets the visibility/value of AWWA Standards and best practices and concomitantly increasing the perceived value of U.S. companies' technologies built according to AWWA Standards and practices. Anticipated activities of the partnerships include sponsoring the translation and distribution of AWWA Standards and Manuals of Practice for Water Supply in the target markets. Development activities could also include facilitating business-to-business and/or business-to-utility matchmaking.

The next step is to hire a three-year contract employee to refine the business approaches and capitalize on these and other opportunities. In close collaboration with AWWA senior leaders, the contract employee would serve as an "ambassador" for AWWA, identifying and facilitating the creation of partnerships with companies and/or organizations doing business in the primary target market countries and developing opportunities for AWWA content to be used in those target countries.

Proposed partnership scenarios in primary target market countries will most successfully begin by focusing on the sponsorship and/or distribution of AWWA publications and educational content. Collaboration and/or partnerships involving joint educational activities (including distance learning), and membership would be natural out growths once partnerships are established. As these partnerships

grow over time, we would expect to see measurable upticks in conference registrations, exhibit space sales, and various sponsorship support from these countries. Likewise, as AWWA Standards and practices are embraced in these markets, we would expect to see more opportunities for U.S. companies whose technologies are based on AWWA Standards and practices.

#### Major Job Duties of the Ambassador

- Define approach for each country (which organizations to contact)
- Establish initial contacts, making introductions and arranging in-person and webinar/teleconferences as appropriate
- Probe for the partners' business needs that AWWA can potentially satisfy
- Work with AWWA staff to develop solutions to identified business needs
- Propose solutions to partners

#### Summary of Key Qualifications and Skills of the Ambassador

- Successful experience working in international settings
- In-depth knowledge of the water industry
- Ability to travel extensively
- Understanding of AWWA as an organization and content creator
- Sensitivity and knowledge of multi-cultural issues
- Exceptional communication skills
- Excellent problem solving and coalition building skills
- Highly client, member, and customer service focused
- Ability to manage multiple tasks simultaneously

Specific work plans and milestones include:

#### **Work Plan:**

- Prioritize primary target market countries for sponsorship and/or distribution of AWWA publications and educational content Q3 2014
- Hire AWWA employee/contractee Q3 2014
- Train AWWA employee/contractee – on-site and at AWWA HQ Q4 2014
- Create budget of office operations – services, supplies, promotions, travel, training, entertainment Q4 2014
- Establish partnerships and collaborations with key organizations in each primary target market company Q4 2014-Q4 2016
- Continue regular cycle of contacts/communications with partners (Q4 2016 and beyond)

#### Sustainability of Ambassador Program

AWWA wants the Ambassador program to be self-sustaining over time. It will take a concerted effort over several years to make the connections with the right organizations. The idea is that this position will generate more than just goodwill for AWWA. With the profound understanding of the local markets derived through the developed partnerships, the AWWA Ambassador program will be able to make AWWA content must-have information in those markets and thereby create a subsequent preference for U.S. companies that already incorporate AWWA Standards into their business practices.

#### **d. Performance Measurement—Pavilions**

Each company participating in the USA/AWWA Pavilion will be required to sign a participation agreement (see page 20) that requires them to provide information about export results through a confidential survey.

After each Pavilion/trade mission (on a quarterly basis), we will send a survey to each exhibitor asking for feedback on products and services sold. An example of questions we would ask is:

1. Please estimate your company's current exports for the following countries. (We will list the countries in attendance at the conference).
2. Please rank the number of leads and the country that the lead came from that were generated at this show.  
Strong leads that show good potential? \_\_\_\_ Number  
Leads that show medium potential? \_\_\_\_ Number  
Networking leads that are still developing? \_\_\_\_ Number  
Please provide the countries the leads are coming from \_\_\_\_\_
3. Please rank the dollar amount of exports you expect to sell in the next 1, 2 and 3 year and beyond based on exhibiting at the conference?  
First year following conference - \$  
Second year following conference - \$  
Third year and beyond - \$  
Undetermined - \$
4. Please provide the amount of product/services you have sold as a result of exhibiting at this conference and what country they have come from.
5. Please rank your company's current exports for the following countries. (Question will be asked before they exhibit, after year 1, 2 and 3).

Performance measures will be provided 30 days after the end of each quarter.

#### **Performance Goals—Pavilions\***

1. We anticipate based on our experience in selling USA/AWWA Pavilion at Singapore International Water Week that 75% of the exhibitors will be blazing a trail at the international conferences, meaning that they are new to the market and are using the USA/AWWA Pavilion as a means to enter or grow the market. 25% will already be established in the market and are using the USA/AWWA Pavilion as the best place for them to exhibit and grow their market share.
2. Each company will have 50 new contacts from each conference x 10 exhibiting companies x 4 shows = 2,000 leads.
3. Each company will have 10 solid leads from each show x 10 exhibiting companies x 4 shows = 400 solid leads.
4. One of the 10 companies will have one sale valued at \$50,000 the first year they are exhibiting in the show x 4 shows = \$200,000.
5. Four of the 10 companies will have one sale valued at \$100,000 the second year after exhibiting at the show. \$100,000 x 4 companies x 4 shows = \$1,600,000.

- Six of the 10 companies will have one sale valued at \$200,000 the third year after exhibiting at the show.  $\$200,000 \times 6 \text{ companies} \times 4 \text{ shows} = \$4,800,000$

### **Performance Measurement--South American Trade Mission\***

Two companies out of the 15 companies attending the South American Trade Mission will have a sale two years after attending the mission.  $\$100,000 \times 2 \text{ companies} \times 1 \text{ trade mission} = \$200,000$

*\*The numbers for Pavilions and Trade Mission are estimates and are based on feedback with companies that currently exhibit overseas.*

### **Performance Measurement and Goals--India Office**

- Develop 2 potential opportunities per month and match them to a U.S. manufacturer from an AWWA list
- Assist U.S. manufacturers in obtaining 0.5% of India's next 3-year capital expenditures for water treatment facilities or \$7 million
- Increase AWWA sales by \$100,000 in 3 years

### **Performance Measurement--Ambassador Project**

- Increase in units of AWWA content sold by our major distributors in the primary target countries and matchmaking meetings.

On the next page is a grid showing unit sales of our products by our two largest distributors in the primary target countries. A goal for the Ambassador program would be to see at least a 10% uptick in these units over a three-year period. We will take a strategic regional approach--initially on India, South Korea, Australia, and Singapore in the first two years. In year three, the focus will shift to Japan and the UK. Each year the goals for meetings are as follows: Year 1--meet with 10 companies/organizations; Year 2--meet with 15 companies/organizations; and Year 3--meet with 20 companies/organizations.

We will measure the value of this program by both an expected uptick in our own sales into the target countries (see baseline chart below) as well as by an uptick in the amount of business being done by AWWA-associated U.S. companies in these countries. This data would need to be collected at start of project and would be dependent on the companies' willingness to share the data with us.

<b>Anticipated Revenues</b>	<b>Current \$</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
direct sales from AWWA-primary target countries	\$52,084	\$84,688	\$104,688	\$124,688
direct sales by AWWA key partners	\$31,293	\$33,484	\$35,827	\$38,335
<b>total sales--in primary target countries</b>	<b>\$83,377</b>	<b>\$118,172</b>	<b>\$140,516</b>	<b>\$163,023</b>

- Increase in acceptance of AWWA Standards and Manuals of Practice as guiding documents in India and South Korea. This acceptance should help U.S. companies find greater market acceptance.

<b>2012 Sales Units of AWWA Content</b>	<b>Standards</b>	<b>Standards subs</b>	<b>Manuals</b>	<b>Standard Methods</b>	<b>Proceedings</b>	<b>TOTALS</b>
Australia	22	1	11	2	15	51
Germany	6		4		1	11
India	41		10		1	52
Japan	39		7		4	50
Singapore	4			4	2	10
South Korea	22		7		6	35
United Kingdom	20		6	9	4	39
<b>Tier 1 Countries' Units</b>	<b>154</b>	<b>1</b>	<b>45</b>	<b>15</b>	<b>33</b>	<b>248</b>
<b>All Countries' Units</b>	<b>498</b>	<b>25</b>	<b>183</b>	<b>62</b>	<b>60</b>	<b>828</b>
<b>Tier 1 Countries' Share</b>	<b>31%</b>	<b>4%</b>	<b>25%</b>	<b>24%</b>	<b>55%</b>	<b>30%</b>

#### **Performance Goals—Ambassador Project**

1. Sign agreements with 15 organizations over three years.
  - a. Year 1: sign 3
  - b. Year 2: sign 5
  - c. Year 3: sign 7
2. Secure publication sponsorship/distribution deals with companies/organizations.
  - a. Year 1: 3 deals
  - b. Year 2: 5 deals
  - c. Year 3: 7 deals

#### **e. Partnership**

AWWA is exploring partnerships with the National Association of Corrosion Engineers (NACE), American Society of Civil Engineers (ASCE), and MWH for the AWWA India Office location. AWWA has maintained a history with each of these organizations over several decades. AWWA will continue to leverage the relationships for mutual benefit of the AWWA India office.

In the development phase of the Ambassador program we networked with several manufacturers and consultants to establish partnerships and program success.

For the USA/AWWA Pavilions and trade mission we have developed a partnership with Maureen Hinman with the International Trade Administration.



#### **f. Credentials**

**David LaFrance** is the Executive Director of AWWA and its Chief Administrator. David exercises full power to direct, conduct, and manage the business and affairs of the Association in the best interest of AWWA's 50,000 members. He reports directly to the President of the Board and is charged with implementing AWWA's Strategic Plan, mission, vision, including AWWA expansion into the international arena. David guides the Association's staff in Denver and Washington, D.C. in developing, implementing and monitoring the Association's Annual Business Plan, Budget, and related programs. Prior to joining AWWA, David was the CFO for Denver Water, Denver CO and he has over 25 years as a water professional.

**Paula MacIlwaine** was selected as the AWWA Deputy Executive Director in May 2004. She first joined AWWA in 1986 and has held positions in AWWA that have given her knowledge of the industry, the volunteers, sections as well as the business of managing AWWA. Paula has over 27 years' experience in leading staff and volunteers. She is recognized by staff and volunteers as placing a high value on customer service and support. Paula has strong, proven team-building skills with expertise in corporate communication, facilitation, and leadership training. She has solid, hands-on experience managing programs and staff that provide technical, management and valuable information to customers. Paula heads up the International strategy for AWWA.

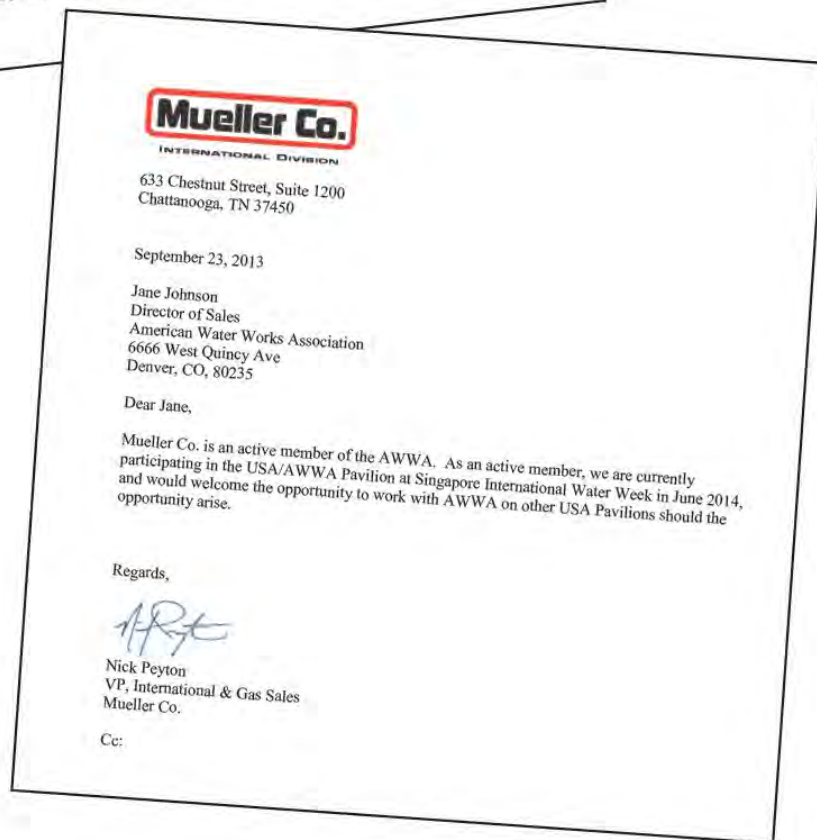
**Jane Johnson** has been employed by AWWA as a Director of Sales and Staff Liaison to the Manufacturers/Associates Council for 12 years. As the Director of Sales, Jane works with manufacturers and consultants to find the best avenue for them to promote their products and services. As a Staff Liaison to the Manufacturers/Associates Council, the Council provides direction on AWWA's international strategy to include countries for them to export their products and services and which international conferences they would like to participate in a USA/AWWA Pavilion.

**John Anderson** is the Manager of International Programs at AWWA. These duties include coordination of program development, implementation, and budgeting as well as research into expanding the value delivered by these programs. John has travelled extensively in Europe, Asia, Oceania and South America conducting business for various industries. He has also lived in Germany for eight years and Southeast Asia for one year. For the last seven years, John has been at the AWWA. John has a Bachelor of Science degree and MBA from Regis University.

**Liz Haigh** joined AWWA as Director of Publishing in January 2011. Her 29 years of science publishing experience includes a two-year assignment as the Southern European sales representative for a large medical publishing company as well as positions States-side in marketing, advertising, editorial, and business management/development. Earlier in her career, Liz spent four years teaching English as a foreign language in Madrid, Spain.

**Kallman Worldwide**, established in 1963, is an international trade show organizing company that represents and promotes some of the world's leading events. Best known for its award-winning "U.S. International Pavilions", Kallman Worldwide also uses its decades of experience to provide advice and assistance to globally-minded companies as they establish or increase their business abroad through international trade shows and trade missions.

**g. Evidence of Support**—these are two of eighteen letters that we have received.



## h. Examples of Proposed Use of ITA Emblem



**Example of ITA Emblem on AWWA website**

2014 SINGAPORE INTERNATIONAL WATER WEEK

AWWA and Kallman Worldwide have launched sales for the USA/AWWA Pavilion at Singapore International Water Week in June 2014.

As the global platform for the sharing and co-creation of innovative water solutions, SIWW attracts decision-makers across the entire water value chain, allowing the global water industry to collaborate on new market opportunities.

To learn more about the benefits of exhibiting, contact Kallman Worldwide.

UPCOMING EVENTS

- ACE Online  
May 08, 2013 / Online
- High-Tech Operator Course 1 - Fall 2013  
September 16, 2013 / Online
- Water Treatment Operator Level 2 - Fall 2013  
September 16, 2013 / Online
- Water Treatment Operator Level 3 - Fall 2013  
September 16, 2013 / Online



**Example of ITA Emblem Exhibit prospectus**

AWWA Presents the U.S. Pavilion at  
 Singapore International Water Week  
 June 1-5, 2014

If you're serious about Asia  
 You must exhibit at  
**SINGAPORE INTERNATIONAL WATER WEEK**

FOR MORE INFORMATION ON

**U.S. PAVILION PARTICIPATION:**  
 KALLMAN WORLDWIDE, INC.  
 Jason Rubin | Jasonr@kallman.com  
 201-251-2600 x109 | www.kallman.com

**COMMERCIAL SERVICE ASSISTANCE:**  
 AMERICAN EMBASSY IN SINGAPORE  
 NG Haw Cheng | Hawcheng.Ng@trade.gov  
 (65) 6476-9037 | www.buyusa.gov/singapore







## i. Success Agreement

### Agreement to Participate in the USA/AWWA Pavilion

Each pavilion exhibitor/ attendee of a trade mission will be asked to sign a participation agreement, identifying the benefits of participating in the pavilion or mission and the responsibilities expected as a participant.

Benefits\*:

- Reduced exhibitor fee
- Translators on-site to help facilitate discussions with buyers
- Turn-key exhibit space within the Pavilion
- Meeting space within the Pavilion for private meetings with buyers
- Creation of marketing materials
- Opening Ceremony with U.S. officials, such as the Ambassador
- Suite of U.S. government services. U.S. Pavilions include access to the business matchmaking services of the U.S. and Foreign Commercial Service; the export finance services of the Export/Import Bank of the United States; and the project development and finance services of the U.S. Trade and Development Agency and the Overseas Private Investment Corporation.
- Pre-pavilion and mission webinar to prepare attendees
- Catering within the pavilion and at meetings on trade missions
- Arrange possible speaking opportunities at trade show for exhibitors

*\*Some benefits maybe time-sensitive and only available to early completed participation agreements. Those benefits will be identified.*

Participant’s Responsibilities:

- Complete a confidential quarterly survey for 3 years to discuss your export results based on your attendance at the Pavilion or mission. See example of export survey question on page 14.
- If AWWA would like to publicize any of your successes, we will ask for your approval in writing before doing so.
- Export-related agreements you conclude, such as signing up an agent or distributor of your products or services as a result of exhibiting in the Pavilion or as a participant of a mission.

### U.S. Product

I certify that I am, that my company is, or that I or my company represents: (a) a United States citizen; (b) a corporation, partnership or other association created under the laws of the United States or of any State; or (c) a foreign corporation, partnership, or other association, more than 95% of which is owned by persons described in (a) and (b) above; AND I am, my company is, or the entity I or my company represents is, exporting, or seeks to export goods or services produced in the United States, or goods or services that contain at least 51% U.S. content. I understand that this certification is a requirement to participate in the MDCP project activity described above and that an intentionally false certification may result in termination of participation in such activity. Information provided to the International Trade Administration (ITA) is intended solely for internal use. ITA will protect business confidential information to the full extent permitted by law and Administration policy. U.S. law prohibits U.S. government employees from disclosing trade secrets. As required as a participant we will complete the quarterly survey and provide the information required as a participant of the Pavilion and or mission. I understand that all information provided by my company is considered confidential.

Company Name: \_\_\_\_\_  
 Email/Phone: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Printed Name: \_\_\_\_\_ Signature \_\_\_\_\_  
 Title: \_\_\_\_\_ Date: \_\_\_\_\_



Embassy of the United States of America  
U.S. Commercial Service

Singapore address: 27 Napier Road, Singapore 258508  
U.S. address: PSC 470, Box FCS, FPO AP 96507  
Tel: 65/6476 9037 Fax: 65/6476 9080  
Website: [www.buyusa.gov/singapore](http://www.buyusa.gov/singapore)  
E-mail: [commerce@pacific.net.sg](mailto:commerce@pacific.net.sg)

January 9, 2014

To MDCP Program Officer,

CS Singapore is working closely with the American Water Works Association (AWWA) and has enjoyed an increasingly beneficial and productive relationship with AWWA. We are currently working with AWWA for the recruitment of American exhibitors for the U.S. Pavilion at the Singapore International Water Week (<http://www.siww.com.sg>), June 1-5, 2014. This is the first time we will have an American group presence at the SIWW event since its inauguration in 2008. We are delighted to be partnering with the AWWA in this venture, knowing that it will help many American water solutions exporters to gain ground in a fast expanding high-volume water consuming Asia. AWWA visited Singapore for SIWW 2012 and showed a keen interest in developing the regional market for its members and other U.S. water exporters. AWWA invited CS Singapore to participate in the AWWA show in Denver in June and we did so to help recruit U.S. companies to the Singapore event.

The Singapore International Water Week (SIWW) is one of the most important and comprehensive global water shows. The show will feature water solutions in the broader context of urban sustainability. With the Southeast Asian nations dealing with key challenges in providing clean water and sanitation to its 600 million people, these challenges will most certainly present terrific business opportunities for American companies that produce quality water related products or services. The SIWW event is created to meet the needs of the region's water issues, and the 2014 event will be its largest yet. AWWA's participation in the show also sets the stage for extensive engagement in Singapore and the region for the coming years. The U.S. Pavilion will ensure that appropriate American water companies are seen as the shining solution providers to the many water challenges besetting the countries in Southeast Asia. The AWWA is playing a critical role in bringing together these American firms.

CS Singapore strongly supports AWWA's bid for an MDCP grant. We have a high level of confidence that AWWA will continue to actively support U.S. exporters in the water sector. We are confident that AWWA will use the MDCP grant to help these exporters tap into the many water opportunities in Asia.

I would be more than happy to provide additional information if that would be helpful.

Sincerely,



Patrick Santillo  
Regional Senior Commercial Officer (ASEAN)

U.S. Commercial Service  
American Embassy, Singapore

US Department of Commerce  
1999 Broadway Suite 2205  
Denver, Colorado 80202



Tel: (303) 844-6623  
Fax: (303) 844-5651

January 6, 2014

Market Development Cooperator Program (MDCP) Grant Application

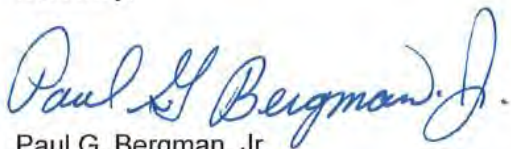
Greetings from the Denver Export Assistance Center!

Our agency works with many local partners in Colorado and have closely worked with the American Water Works Association (AWWA) over the years. AWWA's Headquarters is based in Denver and they are applying this year for the Market Development Cooperator Program (MDCP) Grant.

AWWA is a water industry show organizer that that holds annual events and supports the US Commercial Service. During their trade event each year, usually held in June in different venues throughout the United States, AWWA plays a key environmental industry partner. They attract many International Delegations to each show in order to help them identify new US partners and to purchase US goods and services. Last year in Denver at the AWWA Trade show, they welcomed our trade program which was instrumental in assisting incoming foreign buyers visiting the show.

The Denver USEAC strongly supports their efforts in this application process. Please take into consideration our close partnership of the Global Markets/US Commercial Service relationship as a part of the MDCP application process.

Sincerely,



Paul G. Bergman, Jr.  
Director  
U.S. Export Assistance Center  
States of Colorado & Wyoming  
U.S. Department of Commerce | U.S. Commercial Service  
1999 Broadway Suite 2205  
Denver, Colorado 80202  
Office Phone: 303-844-6001 Cell Phone: 303-810-3939  
Email: [Paul.Bergman@trade.gov](mailto:Paul.Bergman@trade.gov)









## Selected Countries with Water Industry Market Data

### India:

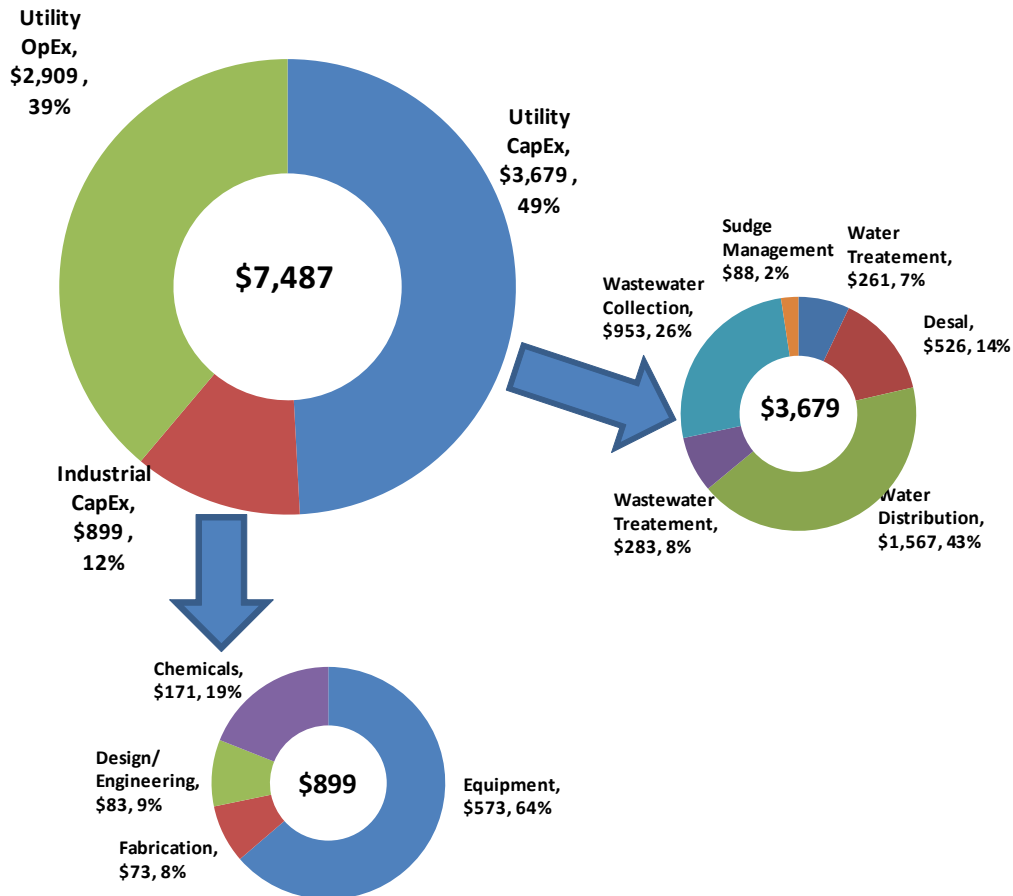
Utility CapEx	\$	3,679
Industrial CapEx	\$	899
Utility OpEx	\$	2,909

#### Utility CapEx

Water Treatment	\$	261
Desal	\$	526
Water Distribution	\$	1,567
Wastewater Treatment	\$	283
Wastewater Collection	\$	953
Sludge Management	\$	88

#### Industrial CapEx

Equipment	\$	573
Fabrication	\$	73
Design/Engineering	\$	83
Chemicals	\$	171



## Singapore:

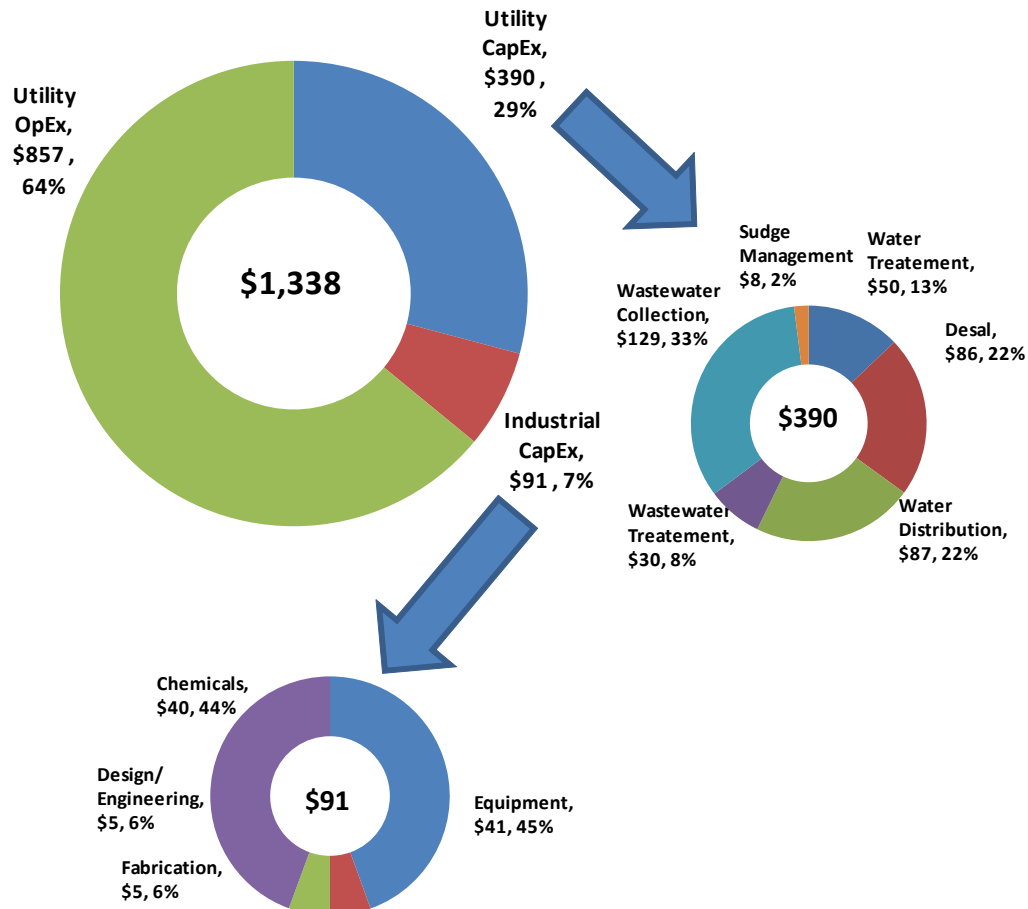
Utility CapEx	\$	390
Industrial CapEx	\$	91
Utility OpEx	\$	857

### Utility CapEx

Water Treatment	\$	50
Desal	\$	86
Water Distribution	\$	87
Wastewater Treatment	\$	30
Wastewater Collection	\$	129
Sludge Management	\$	8

### Industrial CapEx

Equipment	\$	41
Fabrication	\$	5
Design/Engineering	\$	5
Chemicals	\$	40



## Korea:

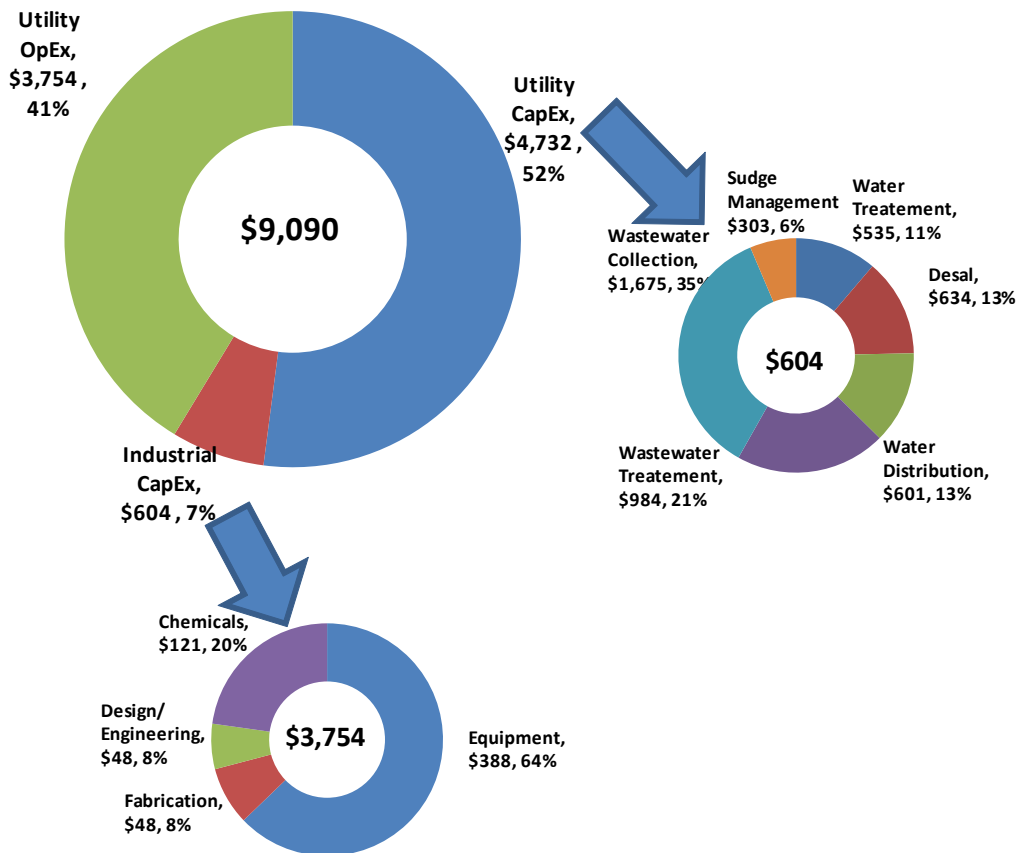
Utility CapEx	\$	4,732
Industrial CapEx	\$	604
Utility OpEx	\$	3,754

### Utility CapEx

Water Treatment	\$	535
Desal	\$	634
Water Distribution	\$	601
Wastewater Treatment	\$	984
Wastewater Collection	\$	1,675
Sludge Management	\$	303

### Industrial CapEx

Equipment	\$	388
Fabrication	\$	48
Design/Engineering	\$	48
Chemicals	\$	121



## Japan:

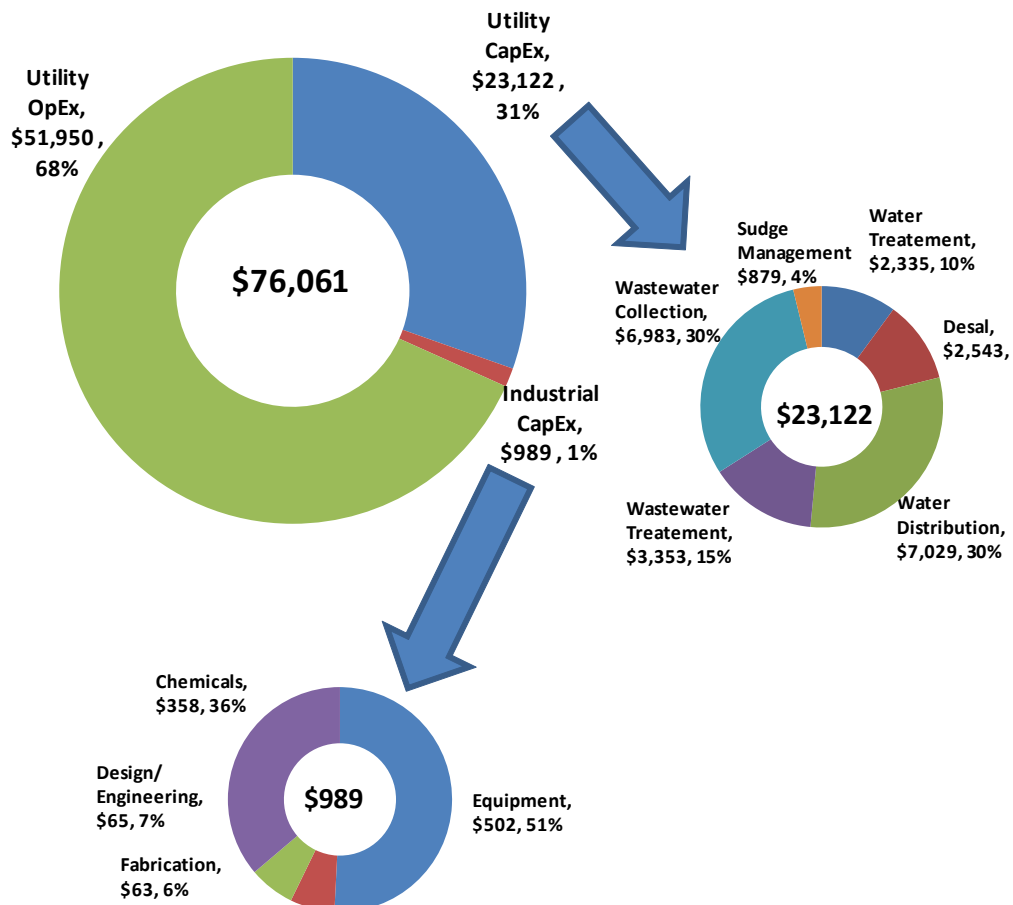
Utility CapEx	\$ 23,122
Industrial CapEx	\$ 989
Utility OpEx	\$ 51,950

### Utility CapEx

Water Treatment	\$ 2,335
Desal	\$ 2,543
Water Distribution	\$ 7,029
Wastewater Treatment	\$ 3,353
Wastewater Collection	\$ 6,983
Sludge Management	\$ 879

### Industrial CapEx

Equipment	\$ 502
Fabrication	\$ 63
Design/Engineering	\$ 65
Chemicals	\$ 358



## Australia:

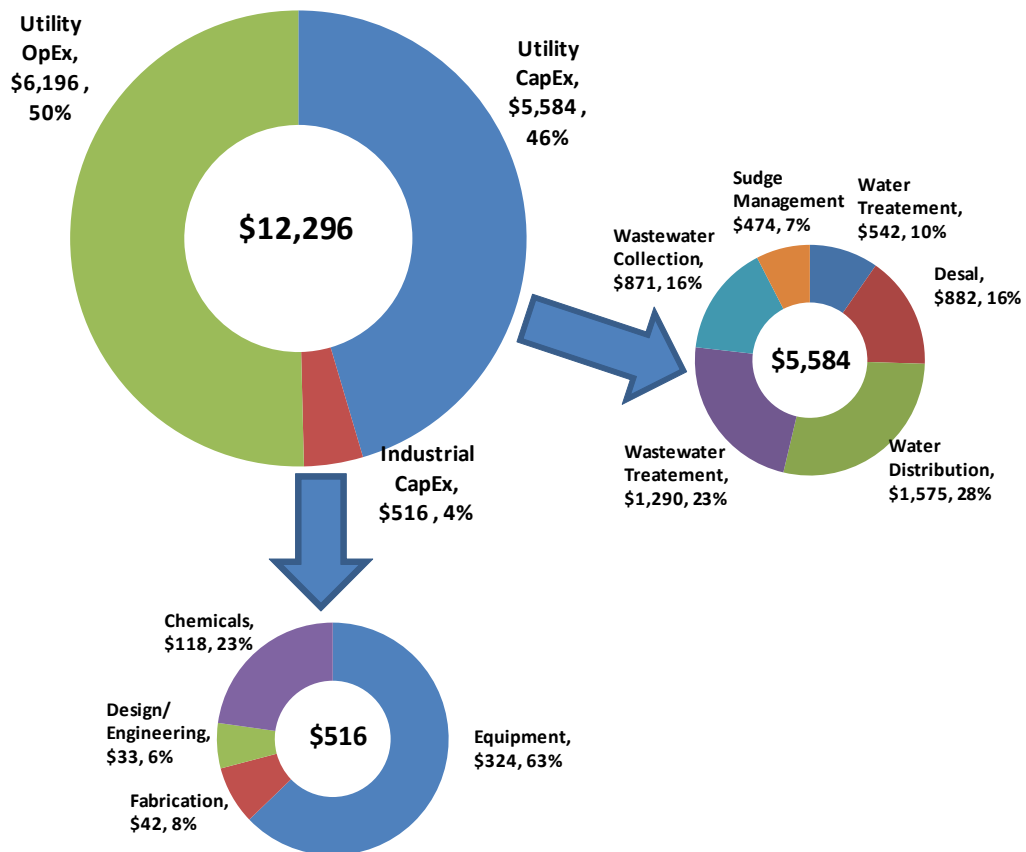
Utility CapEx	\$	5,584
Industrial CapEx	\$	516
Utility OpEx	\$	6,196

### Utility CapEx

Water Treatment	\$	542
Desal	\$	882
Water Distribution	\$	1,575
Wastewater Treatment	\$	1,290
Wastewater Collection	\$	871
Sludge Management	\$	424

### Industrial CapEx

Equipment	\$	324
Fabrication	\$	42
Design/Engineering	\$	33
Chemicals	\$	118



**UK:**

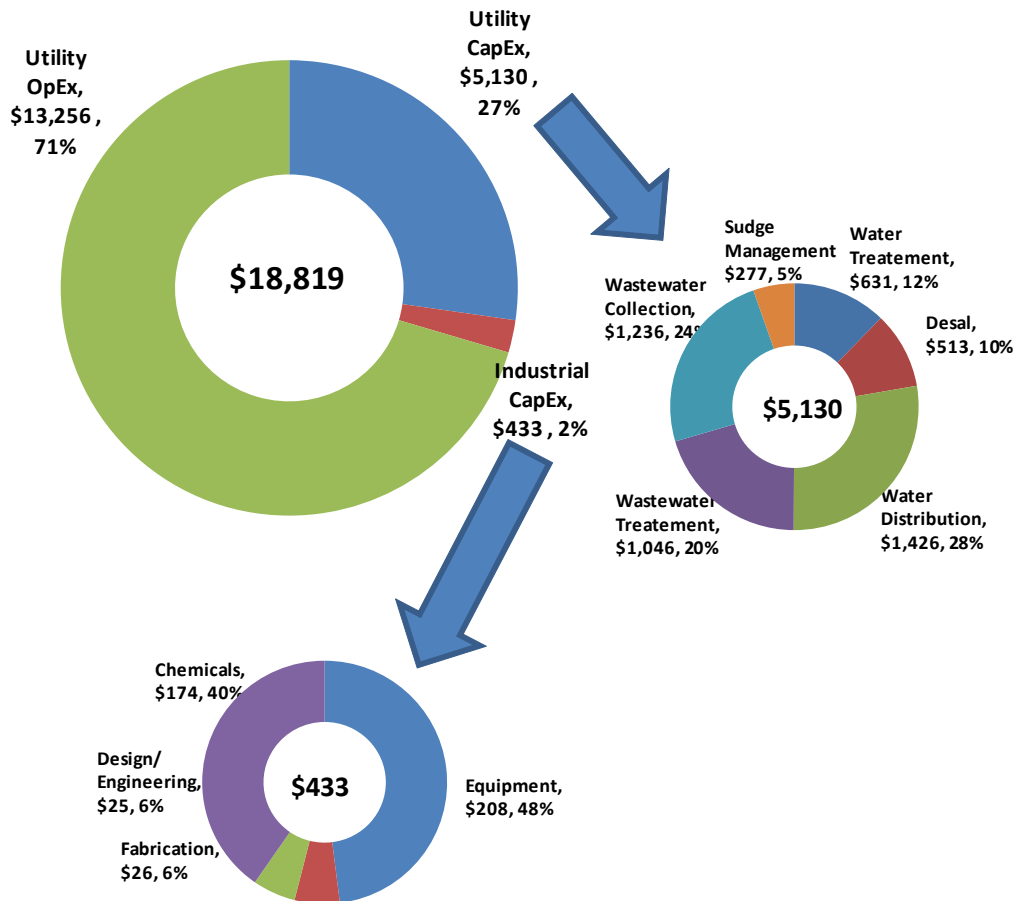
Utility CapEx	\$ 5,130
Industrial CapEx	\$ 433
Utility OpEx	\$ 13,256

Utility CapEx

Water Treatment	\$ 631
Desal	\$ 513
Water Distribution	\$ 1,426
Wastewater Treatment	\$ 1,046
Wastewater Collection	\$ 1,236
Sludge Management	\$ 277

Industrial CapEx

Equipment	\$ 208
Fabrication	\$ 26
Design/Engineering	\$ 25
Chemicals	\$ 174



### 3. Budget

#### a. Budget for Project Award Period and Supporting Worksheets

The budget for the project award periods and other worksheets are provided in this Part 3, Budget. They support and explain the figures reported on SF-424A, which is included in Part 1, Forms.

#### b. Financial Systems

As shown on the budget for the project award period, a large portion, actually 72%, of the \$608,682 cash match is salary and benefits. This works out to be about \$146,396 each year. For AWWA, this amount will be financed as part of its overall budget for salaries and benefits.

In addition, AWWA will be conducting complimentary activities for these projects that are not included in these budget figures.

We acknowledge that we are allowed to include indirect costs in this proposal, but AWWA has opted to absorb these costs and not include them as part of the match. It takes a significant infrastructure to support and manage the overall organization as well as these projects. The projects necessitate additional expenses for insurance, facilities maintenance, and travel. This absorption of indirect costs into the overall budget of AWWA represents a significant investment and shows the commitment to fulfill these initiatives.

**Budget for Project Award Period**

With Breakdown of Projected Funding Sources

Categories	Total Expenses for All Years						1st Year			2nd Year			3rd Year			
	Non-Fed Share			Non-Fed Share			Non-Fed Share			Non-Fed Share			Non-Fed Share			
	Fed Share	Pgm Income	Other	Fed Share	Pgm Income	Other	Fed Share	Pgm Income	Other	Fed Share	Pgm Income	Other	Fed Share	Pgm Income	Other	
a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	
<b>DIRECT EXPENSES</b>																
PERSONNEL																
1 Domestic	0	0	63,040	0	0	20,598	0	0	0	21,011	0	0	0	21,431	0	
2 International	45,000	0	204,368	0	15,000	62,625	0	15,000	0	70,170	0	15,000	0	71,573	0	
3 TOTAL	45,000	0	267,408	0	15,000	83,223	0	15,000	0	91,181	0	15,000	0	93,004	0	
FRINGE BENEFITS																
4 Dom. (Rate= 38.00%)	0	0	23,955	0	0	7,827	0	0	0	7,984	0	0	0	8,144	0	
5 Int'l. (Rate= 59.28%)	0	0	147,825	0	0	46,016	0	0	0	50,489	0	0	0	51,320	0	
6 TOTAL	0	0	171,780	0	0	53,843	0	0	0	58,473	0	0	0	59,464	0	
TRAVEL																
7 Domestic	7,665	0	0	0	2,555	0	0	2,555	0	0	0	2,555	0	0	0	
8 International	137,290	0	55,744	0	42,938	18,850	0	47,963	0	21,444	0	46,389	0	15,450	0	
9 TOTAL	144,955	0	55,744	0	45,493	18,850	0	50,518	0	21,444	0	48,944	0	15,450	0	
10 EQUIPMENT	0	0	13,500	0	0	6,500	0	0	0	3,000	0	0	0	4,000	0	
11 SUPPLIES	0	0	11,250	0	0	3,750	0	0	0	3,750	0	0	0	3,750	0	
12 CONTRACTUAL	100,000	0	50,400	0	20,000	16,800	0	60,000	0	16,800	0	20,000	0	16,800	0	
13 OTHER	10,000	0	38,600	0	0	10,700	0	10,000	0	17,200	0	0	0	10,700	0	
<b>TOTAL DIRECT</b>																
14 Sum from above	299,955	0	608,682	0	80,493	193,666	0	135,518	0	211,848	0	83,944	0	203,168	0	
15 Sum of all direct columns	Sum line 16 columns a, b, c, d			908,637	Sum line 16 columns e, f, g, h			274,159	Sum line 16 columns i, j, k, l			347,366	Sum line 16 columns m, n, o, p			287,112
<b>INDIRECT EXPENSES</b>																
16 Indirect (Rate 0.00%)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Percent of Total (line 20)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>TOTAL</b>																
18 Dir.+Indir.	299,955	0	608,682	0	80,493	193,666	0	135,518	0	211,848	0	83,944	0	203,168	0	
19 Percent of Total (line 20)	33.0%	0.0%	67.0%	0.0%												
<b>All Expense Columns</b>																
20 Total	Sum line 16 columns a, b, c, d			908,637	Sum line 16 columns e, f, g, h			274,159	Sum line 16 columns i, j, k, l			347,366	Sum line 16 columns m, n, o, p			287,112

Note: Explain calculation of each category in separate worksheets and narratives as appropriate.



Personnel Expenses																			
Breakdown and Projected Funding Sources																			
Org.	Position	Project Work Description	% of time	Ann Sal. b	Allocate d Salary c=a*b	Incras g d	VL Adjist e	1st Year			2nd Year			3rd Year					
								Fed Share h	Non-Fed Share		Fed Share i	Non-Fed Share		Fed Share j	Non-Fed Share		Fed Share k	Non-Fed Share	
									Pgm Inc l	Cash m		Other n	In-Kind o		Pgm Inc q	Cash r		Other s	In-Kind t
AWW A	Executive Director	Strategic planning, general oversight, personnel decisions, member relations, trade missions, speaking opportunities at International Conferences	1%	243,485	2,435	2%		2,435	2,484	2,534									
AWW A	Dep. Executive Director	Primary project coordinator. Includes planning, event preparation, etc.	1%	183,350	1,834	2%		1,834	1,871	1,908									
AWW A	Dir. Of Sales/Staff Advisor to Manuf. Assoc. Council	Coordinate/arrange logistics for trade shows, tech. seminars, trade missions, other activities.	8%	117,515	9,401	2%		9,401	9,589	9,781									
AWW A	Intl Staff Advisor	Manage the AWWA International activity	8%	71,915	5,753	2%		5,753	5,868	5,985									

Personnel Expenses																	
Breakdown and Projected Funding Sources																	
	Explanation & Calculation	%	1st Year				2nd Year				3rd Year						
			Non-Fed Share		Fed Share	Non-Fed Share		Fed Share	Non-Fed Share		Fed Share	Non-Fed Share					
			Pgm Inc	Other		Pgm Inc	Other		Pgm Inc	Other							
			h	i	j	k	l	m	n	o	p	q	r	s	t		
AWW A	Dir. Of Publishing																
	Liaison for Ambassador publishing projects	1%	117,515	1,175	2%												
				1,175					1,199							1,223	
AWW A	India Office Manager																
	Primary in-country manager for AWWA Indian office	100%	23,500	23,500	2%	75%											
										23,970						24,449	
AWW A	Ambassador																
	In-country contact for Ambassador Initiative.	100%	60,000	60,000	2%												
											15,000					15,000	
																47,124	
	Subtotal		817,280	104,098													
Total			817,280	104,098			15,000	0	83,223	0	15,000	0	91,181	0	15,000	0	93,004
Domestic			733,780	20,598			0	0	20,598	0	0	0	21,011	0	0	0	21,431
International			83,500	83,500			15,000	0	62,625	0	15,000	0	70,170	0	15,000	0	71,573

Non-Personnel Direct Expenses																					
Activity-Specific Breakdown and Projected Funding Sources																					
Cat. #	Activity	Explanation & Calculation	Perdium a	Days b	Sub c=a*b	Airfare d	Misc e	Travelers f	Tot (c+d+e)*f	1st Year			2nd Year			3rd Year					
										Fed Share h	Non-Fed Share		Fed Share i	Non-Fed Share		Fed Share j	Non-Fed Share		Fed Share k	Non-Fed Share	
											Pgm Inc m	Other In-Kind n		Cash o	Pgm Inc p		Other In-Kind q	Cash r		Pgm Inc s	Other In-Kind t
1	Work out agreement with Kallman Worldwide to execute selected shows from start to finish with AWWA as a partner	Kallmann sales people attend ACE conference for 3 years to solicit for exhibits in Pavilions	105	5	525		232	2	1,514			1,514									
1	Travel to Kallmann Worldwide offices in NJ to coordinate pavilions	Travel to Kallmann Worldwide offices in NJ to coordinate pavilions	193	3	579	230	232	1	1,041			1,041									
	<b>TOTAL</b>											2,555	0	0	0	2,555	0	0	0	2,555	

<b>Non-Personnel Direct Expenses</b>																				
Activity-Specific Breakdown and Projected Funding Sources																				
Cat. #	Activity	Explanation & Calculation										1st Year			2nd Year			3rd Year		
		Per diem	Days	Sub	Airfare	Misc	Travelers	Tot	Fed Share	Non-Fed Share		Fed Share	Non-Fed Share		Fed Share	Non-Fed Share				
		a	b	c-a*b	d	e	f	(c-d-e)*f		h	i		j	k		l	m	n	o	p
4	Execute USA/WWA Pavilions	Attend 4 shows (averages)	407	6	2,442	1,350	250	2	8,084	8,084	16,168						8,084			
5	Execute South American Trade mission	Attend trade mission	427	8	3,416	1,434	150	2	10,000	10,000										
8	Train India employee/contractee	India staff office training at AWWA HQ	222	13	2,886	1,500	120	1	4,506	4,506										
10	Represent AWWA at major events	Conference in New Delhi, India - January	400	4	1,600	275	100	1	1,975	1,975										
10		Jan. Conf. in Chennai, India	411	4	1,644	275	100	1	2,019	2,019										
10		Feb. Conf. in Ahmedabad, India	291	4	1,164	161	100	1	1,425	1,425										
10		Apr. Conf. in Delhi, India	400	6	2,400	274	120	1	2,794	2,794										
10		May Conf. in Delhi, India	400	4	1,600	274	100	1	1,974	1,974										
8	AWWA HQ Staff visits to Mumbai Office	Visit April	515	11	5,665	1,425	100	2	14,380	14,380										
19	Establish partnerships and collaborations with key organizations in each primary target market company	Trip to India	400	7	2,800	2,500	125	2	10,850	10,850										
19		Trip to South Korea	350	6	2,100	1,800	100	2	8,000	8,000										
19		Trip to Australia	343	7	2,401	2,100	100	2	9,202	9,202										
		Trip to Singapore	462	6	2,772	2,400	125	2	10,594	10,594										
		Trip to Japan	404	7	2,828	2,500	100	2	10,856	10,856										
		Trip to UK	508	7	3,556	1,200	100	2	9,712	9,712										
	<b>TOTAL</b>									42,938	47,963	0	18,850	0	21,444	0	46,389	0	15,450	0

Non-Personnel Direct Expenses														
Activity-Specific Breakdown and Projected Funding Sources														
Cat. #	Activity	Explanation & Calculation	1st Year				2nd Year				3rd Year			
			Non-Fed Share		Cash		Non-Fed Share		Cash		Non-Fed Share		Cash	
			Fed Share	In-Kind	Pgm Inc	Other	Fed Share	In-Kind	Pgm Inc	Other	Fed Share	In-Kind	Pgm Inc	Other
9	Set up India office	office furniture and equipment		4,500										
18	Ambassador Office Equipment	computer and phone	0	2,000		3,000							4,000	
			0											
			0											
			0											
TOTAL			0	6,500	0	3,000	0	0	3,000	0	0	0	4,000	0
9	Set up India office	supplies												
		Paper, presentation mtl, gen. office supplies.	Per/mo Months	Total										
			100	1,200									1,200	
9	Set up India office	Telecommunications	150	1,800									1,800	
18	Ambassador Office Supplies	supplies and postage		750									750	
TOTAL														
TOTAL			0	3,750	0	40,000	0	0	3,750	0	0	0	3,750	0
1	Work out agreement with Kallman Worldwide to execute selected shows from start to finish with AWWA as a partner	Kallmann fee for planning and implementing 4 water show U.S pavilions	20,000											20,000
5	Execute South American Trade mission	Kallmann fee for trade mission								20,000				
4	Execute USA/WWA Pavilions	Fee for utility volunteer member to attend/speak at 4 Pavilion conferences									16,800		16,800	
TOTAL			20,000	0	16,800	0	60,000	0	16,800	0	20,000	0	16,800	0

Non-Personnel Direct Expenses															
Activity-Specific Breakdown and Projected Funding Sources															
Cat.	#	Activity	Explanation & Calculation	1st Year			2nd Year			3rd Year					
				Fed Share	Non-Fed Share	Cash	Fed Share	Non-Fed Share	Cash	Fed Share	Non-Fed Share	Cash			
				h	i	j	k	l	m	n	o	p	q	r	s
Other	5	Execute South American Trade mission	Underwrite Attendees			10,000									
	4	Execute USA/AWWA Pavilions	cost of webinar before each Pavilion/mission to educate exhibitors		4,500					9,000				4,500	
	4	Execute USA/AWWA Pavilions	Printing of exhibit prospectus for international shows and trade mission					200						200	
	4	Execute USA/AWWA Pavilions	Trade Fair Certification for Pavilions					2,000						2,000	
	1		Exhibit booth at ACE and AV in booth for Kallman for 3 conferences. A=booth; b=av; c=# conferences	a	b	c	d+a*b*c			4,000				4,000	
				3,300	700	3	12,000								
TOTAL				0	10,700	0	10,000	0	10,000	17,200	0	0	0	10,700	0
Personnel	21	0													
	23	0													
	24	0													
Travel (dom)															
Travel (int'l)				2,555	0	0	2,555	0	0	0	0	2,555	0	0	0
Equipment				42,938	18,850	0	47,963	0	21,444	0	46,389	0	15,450	0	0
Supplies				0	6,500	0	0	0	3,000	0	0	0	4,000	0	0
Contractual				0	3,750	0	0	0	3,750	0	0	0	3,750	0	0
Other				20,000	16,800	0	60,000	0	16,800	0	20,000	0	16,800	0	0
				0	10,700	0	10,000	0	17,200	0	0	0	10,700	0	0
TOTAL				65,493	56,600	0	120,518	0	62,194	0	68,944	0	50,700	0	0
			Portion of the total contributed by local government												
			Portion of the total contributed by state government						0						

## Independent Auditor's Report

Board of Directors  
American Water Works Association  
Denver, Colorado

We have audited the accompanying financial statements of American Water Works Association (the Association), which comprise the statements of financial position as of December 31, 2012 and 2011, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of American Water Works Association as of December 31, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*BKD, LLP*

Denver, Colorado  
April 24, 2013

**American Water Works Association**  
**Statements of Financial Position**  
**December 31, 2012 and 2011**

	2012	2011
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 7,311,753	\$ 3,968,257
Investments, Current Portion	5,437,087	9,426,839
Receivables		
Trade, Net of Allowance for Doubtful Accounts of \$132,269 and \$132,594	914,207	778,098
Water Research Foundation	5,195	3,776
Water For People	1,692	532
Interest	25,621	51,354
Total Receivables	946,715	833,760
Prepaid Expenses and Other Assets	535,580	526,641
Inventory, Net of Allowance for Obsolescence of \$735,180 and \$800,000	661,524	772,538
Total Current Assets	14,892,659	15,528,035
Investments, Net of Current Portion	11,310,000	9,291,243
Property and Equipment, Net	7,946,204	8,217,184
Bond Issuance Costs, Net of Accumulated Amortization of \$129,802 and \$118,018	2,988	14,773
Other Assets	45,673	46,662
Total Assets	\$ 34,197,524	\$ 33,097,897
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Payables		
Trade	\$ 1,152,229	\$ 829,415
Research Contracts	57,310	111,440
Total Payables	1,209,539	940,855
Accrued Expenses	1,172,037	1,510,030
Deferred Revenue	9,127,071	8,909,783
Bonds Payable, Current Portion	360,000	340,000
Total Current Liabilities	11,868,647	11,700,668
Bonds Payable, Net of Current Portion	-	360,000
Accrued Minimum Pension Liability	6,036,290	6,063,046
Total Liabilities	17,904,937	18,123,714
<b>Net Assets</b>		
Unrestricted		
Undesignated	14,009,948	12,723,411
Board Designated	485,500	485,500
Total Unrestricted Net Assets	14,495,448	13,208,911
Temporarily Restricted	491,191	495,594
Permanently Restricted	1,305,948	1,269,678
Total Net Assets	16,292,587	14,974,183
Total Liabilities and Net Assets	\$ 34,197,524	\$ 33,097,897

See Notes to Financial Statements

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**American Water Works Association**  
**Statement of Activities**  
**Year Ended December 31, 2012**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>Revenue, Gains and Other Support</b>				
Membership Dues	\$ 11,573,613	\$ -	\$ -	\$ 11,573,613
Conferences	7,259,482	-	-	7,259,482
Publication Sales	3,578,258	-	-	3,578,258
Advertising	3,258,785	-	-	3,258,785
Subscriptions	941,833	-	-	941,833
Royalties and Other Income	1,579,071	-	-	1,579,071
Grants/Contracts	45,202	-	-	45,202
Seminar and Educational Program Fees	331,770	-	-	331,770
Water Research Foundation/Water For People	440,332	-	-	440,332
Investment Income	267,879	38,877	-	306,756
Consulting Income	94,805	-	-	94,805
Contributions	-	120	36,270	36,390
Net Assets Released from Restriction	43,400	(43,400)	-	-
<b>Total Revenue and Other Support</b>	<b>29,414,430</b>	<b>(4,403)</b>	<b>36,270</b>	<b>29,446,297</b>
<b>Expenses</b>				
<b>Program Services</b>				
Committees	2,025,800	-	-	2,025,800
Conferences	4,438,743	-	-	4,438,743
Government Affairs	783,112	-	-	783,112
Grants/Contracts	45,523	-	-	45,523
Information Services	1,908,347	-	-	1,908,347
Member Section Services	2,501,138	-	-	2,501,138
Public Affairs	399,557	-	-	399,557
Publication and Subscriptions	6,676,824	-	-	6,676,824
Seminar and Educational Program Fees	294,170	-	-	294,170
Standards and Materials Development	1,076,347	-	-	1,076,347
Technical and Education Programs	437,541	-	-	437,541
Water Industry Technical Action Fund	1,134,022	-	-	1,134,022
Wolman and Larson	43,400	-	-	43,400
<b>Total Expenses</b>	<b>21,764,524</b>	<b>-</b>	<b>-</b>	<b>21,764,524</b>
<b>Supporting Services</b>				
General Administration	4,577,254	-	-	4,577,254
Marketing	1,593,523	-	-	1,593,523
<b>Total Supporting Services</b>	<b>6,170,777</b>	<b>-</b>	<b>-</b>	<b>6,170,777</b>
<b>Total Expenses</b>	<b>27,935,301</b>	<b>-</b>	<b>-</b>	<b>27,935,301</b>
<b>Change in Net Assets, Before Recognition of Change in Minimum Pension Liability</b>	<b>1,479,129</b>	<b>(4,403)</b>	<b>36,270</b>	<b>1,510,996</b>
<b>Change in Minimum Pension Liability</b>	<b>(192,592)</b>	<b>-</b>	<b>-</b>	<b>(192,592)</b>
<b>Change in Net Assets</b>	<b>1,286,537</b>	<b>(4,403)</b>	<b>36,270</b>	<b>1,318,404</b>
<b>Net Assets - Beginning of Year</b>	<b>13,208,911</b>	<b>495,594</b>	<b>1,269,678</b>	<b>14,974,183</b>
<b>Net Assets - End of Year</b>	<b>\$ 14,495,448</b>	<b>\$ 491,191</b>	<b>\$ 1,305,948</b>	<b>\$ 16,292,587</b>

**American Water Works Association**  
**Statements of Cash Flows**  
**Years Ended December 31, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>Cash Flows from Operating Activities</b>		
Change in Net Assets	\$ 1,318,404	\$ (2,152,774)
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by Operating Activities		
Contributions Restricted for Endowment	(36,270)	(37,075)
Depreciation and Amortization	1,018,936	969,617
Amortization of Discount on Bond Issuance Costs	11,785	11,163
Gain on Disposal of Property and Equipment	-	(1,060)
Realized (Gain) Loss on Investments		
Unrealized (Gain) Loss on Investments	(2,696)	5,820
Changes in Assets and Liabilities		
Receivables	(112,955)	118,474
Prepaid Expenses and Other Assets	(7,950)	17,180
Inventory	111,014	114,267
Payables	268,684	(255,126)
Accrued Expenses	(337,993)	656,308
Deferred Revenue	217,288	(30,323)
Accrued Pension Obligation	(26,756)	3,520,914
Net Cash Provided by Operating Activities	<u>2,421,491</u>	<u>2,937,385</u>
<b>Cash Flows from Investing Activities</b>		
Purchases of Investments	(7,694,000)	(5,805,000)
Proceeds on Sale of Investments	9,667,691	5,823,938
Purchases of Property and Equipment	(747,956)	(533,433)
Proceeds from Disposal of Property and Equipment	-	1,060
Net Cash Provided by (Used by) Investing Activities	<u>1,225,735</u>	<u>(513,435)</u>
<b>Cash Flows from Financing Activities</b>		
Payment on Note Payable	(340,000)	(325,000)
Contributions Restricted for Endowment	36,270	37,075
Net Cash Used by Financing Activities	<u>(303,730)</u>	<u>(287,925)</u>
<b>Net Increase in Cash and Cash Equivalents</b>	3,343,496	2,136,025
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>3,968,257</u>	<u>1,832,232</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$ 7,311,753</u>	<u>\$ 3,968,257</u>
<b>Supplemental Disclosure of Cash Flow Information</b>		
Cash Paid for Interest	<u>\$ 2,634</u>	<u>\$ 4,378</u>
Cash Paid for Income Taxes	<u>\$ 204,000</u>	<u>\$ 221,000</u>

See Notes to Financial Statements

6

American Water Works Association: Work Flow Chart													
#	Activity	2014			2015			2016			2017		
		J	F	A	J	F	A	J	F	A	J	F	A
1	Work out agreement with Kallman Worldwide to execute selected shows from 1 start to finish with AWWA as a partner												
2	Create and print exhibit prospectus for 2 shows/mission												
3	Sell exhibit/mission space												
4	Execute USA/AWWA Pavilions												
5	Execute South American Trade mission												
6	Select India office site												
7	Hire India employee/contractee												
8	Train India employee/contractee												
9	Set up India office												
10	Visit prime sites (government, utilities, universities, service providers, engineering services) and create contacts and needs analysis												
11	File activity reports quarterly												
12	Represent AWWA at major events												
13	Conduct promotional campaigns per needs analysis												
14	Conduct training sessions												
15	Prioritize primary target market countries for sponsorship and/or distribution of AWWA publications and educational content												
16	Hire A WWA employee/contractee												
17	Train AWWA employee/contractee – on-site and at AWWA HQ												
18	Create budget of office operations – services, supplies, promotions, travel, training, entertainment												
19	Establish partnerships and collaborations with key organizations in each primary target market company												
20	Continue regular cycle of contacts/communications with partners (Q4 2016 and beyond)												

**Application for Federal Assistance SF-424**

Version 02

* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision	* If Revision, select appropriate letter(s): <input type="text"/> * Other (Specify) <input type="text"/>
--	--	---

* 3. Date Received: <input type="text" value="02/07/2014"/>	4. Applicant Identifier: <input type="text" value="American Water Works Assoc."/>
--	--

5a. Federal Entity Identifier: <input type="text" value="13-5660277"/>	* 5b. Federal Award Identifier: <input type="text"/>
---	---

**State Use Only:**

6. Date Received by State: <input type="text"/>	7. State Application Identifier: <input type="text"/>
---	---

**8. APPLICANT INFORMATION:**

\* a. Legal Name:

* b. Employer/Taxpayer Identification Number (EIN/TIN): <input type="text" value="13-5660277"/>	* c. Organizational DUNS: <input type="text" value="076463769"/>
--	---

**d. Address:**

* Street1:	<input type="text" value="6666 West Quincy Avenue"/>
Street2:	<input type="text"/>
* City:	<input type="text" value="Denver"/>
County:	<input type="text" value="Denver"/>
* State:	<input type="text" value="CO: Colorado"/>
Province:	<input type="text"/>
* Country:	<input type="text" value="USA: UNITED STATES"/>
* Zip / Postal Code:	<input type="text" value="80235"/>

**e. Organizational Unit:**

Department Name: <input type="text"/>	Division Name: <input type="text"/>
--	--

**f. Name and contact information of person to be contacted on matters involving this application:**

Prefix: <input type="text" value="Ms."/>	* First Name: <input type="text" value="Jane"/>
Middle Name: <input type="text" value="Marie"/>	
* Last Name: <input type="text" value="Johnson"/>	
Suffix: <input type="text"/>	

Title:

Organizational Affiliation:

* Telephone Number: <input type="text" value="303-734-3426"/>	Fax Number: <input type="text"/>
---	----------------------------------

\* Email:

**Application for Federal Assistance SF-424**

Version 02

**9. Type of Applicant 1: Select Applicant Type:**

M: Nonprofit with 501C3 IRS Status (Other than Institution of Higher Education)

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

\* Other (specify):

**\* 10. Name of Federal Agency:**

Department of Commerce

**11. Catalog of Federal Domestic Assistance Number:**

11.112

CFDA Title:

Market Development Cooperator Program

**\* 12. Funding Opportunity Number:**

ITA-INA-OPCM-2014-2003773

\* Title:

Market Development Cooperator Program 2014

**13. Competition Identification Number:**

2435318

Title:

**14. Areas Affected by Project (Cities, Counties, States, etc.):**

**\* 15. Descriptive Title of Applicant's Project:**

Water Technology Exports and AWWA Standards Education

Attach supporting documents as specified in agency instructions.

**Application for Federal Assistance SF-424**

Version 02

**16. Congressional Districts Of:**

\* a. Applicant

\* b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

**17. Proposed Project:**

\* a. Start Date:

\* b. End Date:

**18. Estimated Funding (\$):**

* a. Federal	<input type="text" value="299,955.00"/>
* b. Applicant	<input type="text" value="608,682.00"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="908,637.00"/>

**\* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- a. This application was made available to the State under the Executive Order 12372 Process for review on .
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E.O. 12372.

**\* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)**

Yes  No

**21. \*By signing this application, I certify (1) to the statements contained in the list of certifications\*\* and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances\*\* and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

\*\* I AGREE

\*\* The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

**Authorized Representative:**

Prefix:  \* First Name:

Middle Name:

\* Last Name:

Suffix:

\* Title:

\* Telephone Number:  Fax Number:

\* Email:

\* Signature of Authorized Representative:  \* Date Signed:

**Application for Federal Assistance SF-424**

Version 02

**\* Applicant Federal Debt Delinquency Explanation**

The following field should contain an explanation if the Applicant organization is delinquent on any Federal Debt. Maximum number of characters that can be entered is 4,000. Try and avoid extra spaces and carriage returns to maximize the availability of space.

**BUDGET INFORMATION - Non-Construction Programs**

OMB Number: 4040-0006  
Expiration Date: 06/30/2014

**SECTION A - BUDGET SUMMARY**

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. MDCP	11.112	\$	\$	\$ 299,955.00	\$ 608,682.00	\$ 908,637.00
2.						
3.						
4.						
<b>5. Totals</b>		\$	\$	\$ 299,955.00	\$ 608,682.00	\$ 908,637.00



**SECTION B - BUDGET CATEGORIES**

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1)	(2)	(3)	(4)	
	MDCP				
<b>a. Personnel</b>	\$ 312,408.00	\$	\$	\$	\$ 312,408.00
<b>b. Fringe Benefits</b>	171,780.00				171,780.00
<b>c. Travel</b>	200,699.00				200,699.00
<b>d. Equipment</b>	13,500.00				13,500.00
<b>e. Supplies</b>	11,250.00				11,250.00
<b>f. Contractual</b>	150,400.00				150,400.00
<b>g. Construction</b>	0.00				
<b>h. Other</b>	48,600.00				48,600.00
<b>i. Total Direct Charges (sum of 6a-6h)</b>	908,637.00				\$ 908,637.00
<b>j. Indirect Charges</b>					\$
<b>k. TOTALS (sum of 6i and 6j)</b>	\$ 908,637.00	\$	\$	\$	\$ 908,637.00
<b>7. Program Income</b>	\$	\$	\$	\$	\$

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**SECTION C - NON-FEDERAL RESOURCES**

(a) Grant Program		(b) Applicant	(c) State	(d) Other Sources	(e)TOTALS
8.	MDCP	\$ 608,682.00	\$ 0.00	\$ 0.00	\$ 608,682.00
9.					
10.					
11.					
<b>12. TOTAL (sum of lines 8-11)</b>		\$ 608,682.00			\$ 608,682.00

**SECTION D - FORECASTED CASH NEEDS**

	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	\$	\$	\$	\$	\$
14. Non-Federal	\$				
<b>15. TOTAL (sum of lines 13 and 14)</b>	\$	\$	\$	\$	\$

**SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT**

(a) Grant Program	FUTURE FUNDING PERIODS (YEARS)			
	(b)First	(c) Second	(d) Third	(e) Fourth
16.	\$	\$	\$	\$
17.				
18.				
19.				
<b>20. TOTAL (sum of lines 16 - 19)</b>	\$	\$	\$	\$

**SECTION F - OTHER BUDGET INFORMATION**

<b>21. Direct Charges:</b> Domestic fringe benefits - 38%	<b>22. Indirect Charges:</b> Applied to total direct charges - 0%
<b>23. Remarks:</b> Foreign fringe benefits - 59.28%	

Applicants should also review the instructions for certification included in the regulations before completing this form. Signature on this form provides for compliance with certification requirements under 15 CFR Part 28, 'New Restrictions on Lobbying.' The certifications shall be treated as a material representation of fact upon which reliance will be placed when the Department of Commerce determines to award the covered transaction, grant, or cooperative agreement.

**LOBBYING**

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 15 CFR Part 28, for persons entering into a grant, cooperative agreement or contract over \$100,000 or a loan or loan guarantee over \$150,000 as defined at 15 CFR Part 28, Sections 28.105 and 28.110, the applicant certifies that to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, 'Disclosure Form to Report Lobbying,' in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure occurring on or before October 23, 1996, and of not less than \$11,000 and not more than \$110,000 for each such failure occurring after October 23, 1996.

**As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above applicable certification.**

**\* NAME OF APPLICANT**

American Water Works Association

**\* AWARD NUMBER**

**\* PROJECT NAME**

Water Technology Exports and AWWA Standards Education

<b>Prefix:</b>	<b>* First Name:</b>	<b>Middle Name:</b>
Mr.	Kevin	

<b>* Last Name:</b>	<b>Suffix:</b>
Mann	

**\* Title:** Chief Financial Officer

**\* SIGNATURE:**

Jane Johnson

**\* DATE:**

02/07/2014