DISTRICT OF COLUMBIA WATER AND SEWER

Board of Directors

Finance and Budget Committee

Thursday, March 28, 2013

11:00 a.m.

1. **Call to Order** ....Bradford Seamon, Acting Chairperson

2. **February 2013 Financial Report (Attachment 1)** .... Yvette Downs and Robert Hunt
   A. Operating Revenues & Expenditures
   B. Cash Reserves & Investments
   C. Capital Disbursements Summary
   D. Investment Report

3. **Finance/Procurement Business Process Improvement Update (Attachment 2)** ....Yvette Downs/Rosalind Inge

4. **Extension of Letters of Credit (Commercial Paper Program)** ....Mark Kim

5. **Underwriting Pool (Attachment 3)**...Mark Kim

6. **Action Items** ....Mark Kim
   A. Approval to Extend the Letters of Credit Associated with the Commercial Paper Program (Attachment 4)
   - First Amendment to the Eleventh Supplemental Indenture **(Attachment 4A)**
   - First Amendment to Letter of Credit and Reimbursement Agreement with JP Morgan **(Attachment 4B)**
   - First Amendment to Reimbursement Agreement with U.S. Bank **(Attachment 4C)**
   - Amended and Restated Fee Letter with JP Morgan **(Attachment 4D)**
   - Amended and Restated Fee Letter with U.S. Bank **(Attachment 4E)**
   - Updated Offering Memorandum **(Attachment 4F)**
   - Approval to Extend the Letters of Credit Fact Sheets
     a. WAS-07-007-AA-JS, JP Morgan Chase Bank National Assn. **(Attachment 4G)**
     b. WAS-07-007-AA-JS, U.S. Bank **(Attachment 4H)**

   B. Approval of Underwriters Pool (Attachment 5)
   C. Approval of Independent Risk Management Consultant Fact Sheet (Attachment 6)..Tanya DeLeon

7. **Agenda for April Committee Meeting (Attachment 7)** .... Bradford Seamon

8. **Adjournment**

FOLLOW-UP ITEMS – Finance & Budget Committee (Meeting held February 28, 2013)

1. Provide additional information on the proposed Headquarters Building to explain expanded space requirements and other facility work that will be accomplished/eliminated within this project, other options available, and user-share estimates. **(Mr. Firestine and Ms. Nancoo) Status:** *To be discussed at a later date.*

ATTACHMENT 1

dc water is life

February 2013 FINANCIAL REPORT

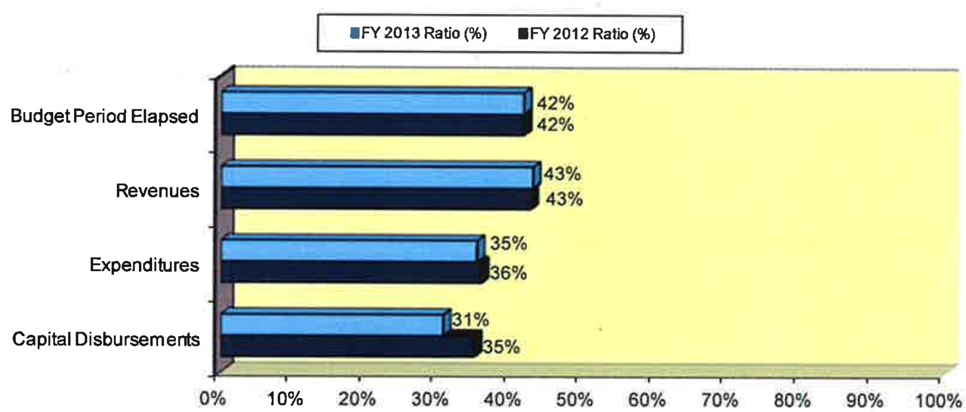
FY 2013 FINANCIAL PERFORMANCE

At the end of February, with approximately 42 percent of the fiscal year completed, we are on track with budgetary expectations, with the exception of major under spending in Capital Disbursements as reported in prior months and discussed later in this report. The table below summarizes detailed information provided in the report.

Financial Performance
As of February 28, 2013
($ in millions)

	Approved	Revised Budget	YTD Budget	*YTD Actual*	*Variance Favorable (Unfavorable) 42% of Budget*		*% Revised Budget*
Revenues (Receipts)*	$460.2	$447.5	$186.5	$192.2	$5.7	3%	43%
Expenditures*	$456.8	$440.3	$183.5	$155.3	$28.2	15%	35%
Capital Disbursements	$665.7	$644.3	$268.6	$197.4	$71.2	27%	31%

**** Straight-lined (5/12 of revised budget)***



120-day Operating Reserve Analysis
($ in millions)

FY 2013 120-day Operating Reserve Objective	$125.5
Actual Average Daily Balances	$178.0
Difference	$52.5

OPERATING REVENUES & RECEIPTS

At the end of February 2013, cash receipts totaled $192.2 million, or 42.9 percent of the revised FY 2013 Budget. Several categories of customers make payments on a quarterly basis, including the federal and District governments, and wholesale customers. The table below provides a summary of operating receipts at the end of February.

REVENUE VARIANCE BY CATEGORY
($ in 000's)
As of February 28, 2013

Revenue Category	FY 2013 Revised Budget	Year-to-Date Budget	Actual Received	Variance Favorable (Unfavorable)	Actual % of Budget
Residential, Commercial, and Multi-family	236.2	98.4	103.7	5.3	43.9%
Federal	52.8	22.0	26.3	4.3	49.8%
District Government	12.0	5.0	3.1	(1.9)	25.6%
DC Housing Authority	6.3	2.6	2.6	0.0	40.8%
Customer Metering Fee	10.8	4.5	4.7	0.2	43.8%
Wholesale	75.2	31.3	35.6	4.3	47.4%
Right-of-Way Fee/PILOT	22.2	9.3	9.7	0.4	43.6%
Subtotal (before Other Revenues)	$415.5	$173.2	$185.7	$12.6	44.7%
Other Revenue without RSF					
IMA Indirect Cost Reimb. For Capital Projects	6.0	2.5	0.0	(2.5)	0.0%
DC Fire Protection Fee	6.9	2.9	1.7	(1.2)	24.6%
Stormwater (MS4)	1.0	0.4	0.4	(0.0)	39.6%
Interest	0.7	0.3	0.4	0.1	67.2%
Developer Fees (Water & Sewer)	8.0	3.3	2.9	(0.4)	35.8%
Others	2.9	1.2	1.1	(0.1)	37.2%
Subtotal	$25.5	$10.6	$6.5	(4.1)	25.4%
Rate Stabilization Fund Transfer	$6.5	$2.7	$0.0	(2.7)	0.0%
Other Revenue Subtotal	$32.0	$13.3	$6.5	(6.8)	20.3%
Grand Total	$447.5	$186.5	$192.2	$5.7	42.9%

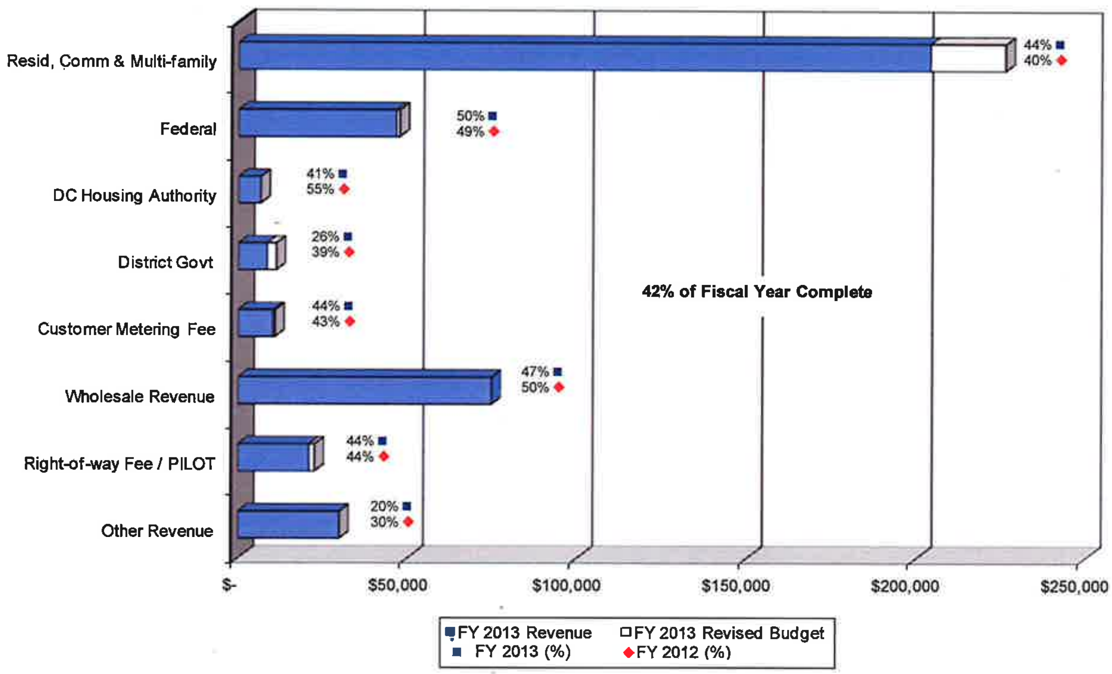
Discussion of Relevant Variance

In general, revenues are on target with the exception of District Government and Other Revenues.

The District Government's actual receipts for the first two quarters total $3.1 million or 25.6 percent of the revised FY 2013 budget. The District Government had disputed consumption on a large account (St. Elizabeth Hospital) and withheld a portion of its quarterly payment while the account was being investigated. The dispute has been resolved and DC Water has adjusted the District Government's bill. Final payment on the disputed account is anticipated in March 2013.

Other Revenue receipts are lower than the straight-lined budget at $6.5 million or 20.3 percent of the budgeted category primarily due to IMA Indirect Cost Reimbursement and transfer of Rate Stabilization Fund. The IMA indirect cost reimbursement for the capital projects is not anticipated to be received until the fourth quarter of the fiscal year. The Rate Stabilization Fund transfer is anticipated in the fourth quarter of the fiscal year.

FY 2013
OPERATING RECEIPTS BY CUSTOMER CATEGORY
As of February 28, 2013



BREAKDOWN OF RETAIL RECEIPTS BY CUSTOMER CATEGORY
($ in 000's)
As of February 28, 2013

Customer Category	Water	Sewer	Clean Rivers IAC	Metering Fee	Total
Residential	12,238	14,897	5,058	2,074	34,267
Commercial	19,448	19,996	6,532	1,423	47,399
Multi-family	10,770	12,849	1,897	482	25,998
Federal	10,922	10,368	4,992	470	26,752
District Govt	735	898	1,441	228	3,302
DC Housing Authority	1,059	1,279	223	57	2,617
Total	**55,172**	**60,287**	**20,143**	**4,733**	**140,335**

Note: The breakdown of Collections into Residential, Commercial, & Multi-family and Water and Sewer is approximate as it is based on percentages of historical data and does not take into account adjustments and timing differences

Clean Rivers IAC – Actual vs. Budget
($ in 000's)
As of February 28, 2013

Customer Category	FY 2013 Budget	Year-To-Date Budget	Actual Received	Variance Favorable / <Unfavorable>	Variance % of YTD Budget	Actual % of Budget
Residential	11,883	4,951	5,058	107	2%	43%
Commercial	13,905	5,794	6,532	738	13%	47%
Multi-family	4,665	1,944	1,897	(47)	-2%	41%
Federal	9,984	4,160	4,992	832	20%	50%
District Govt	3,145	1,310	1,441	130	10%	46%
DC Housing Authority	547	228	223	(5)	-2%	41%
Total	**44,129**	**18,387**	**20,143**	**1,756**	**10%**	**46%**

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OPERATING EXPENDITURES

Total operating expenditures, at the end of February, are in line with expectations for fiscal year 2013. At the end of February, operating expenditures (including debt service and the right of way and PILOT fees) totaled $155.3 million, or 35 percent of the FY 2013 Board-revised budget of $440.3 million. These numbers include estimated incurred but unpaid invoices.

Comparative Statement of Expenditures
As of February 28, 2013
(000's)

	FY 2013						FY 2014
	Board Revised Budget	YTD Budget	YTD as of 02/28/2013	YTD Variance Favorable/(Unfavorable) $$	%	Percent of Budget	Approved Budget
Personnel Services	116,609	48,587	46,622	1,965	4.0%	40%	120,454
Contractual Services	82,350	34,313	25,570	8,743	25.5%	31%	84,094
Water Purchases	31,513	13,130	10,384	2,746	20.9%	33%	31,513
Chemicals and Supplies	31,360	13,067	10,113	2,954	22.6%	32%	32,909
Utilities	34,185	14,244	9,744	4,500	31.6%	29%	34,011
Small Equipment	993	414	296	118	28.5%	30%	993
Subtotal O & M Expenditures	297,009	123,755	102,729	21,026	17.0%	35%	303,973
Debt Service	121,330	50,554	43,429	7,125	14.1%	36%	150,389
Payment in Lieu of Taxes	16,882	7,034	7,034	-	0.0%	42%	20,081
Right of Way	5,100	2,125	2,125	-	0.0%	42%	5,100
Total O & M Expenditures	440,321	183,469	155,317	28,151	15.3%	35%	479,543
Personnel Services Charged to Capital Projects	(16,690)	(6,954)	(3,881)	3,074	44.2%	23%	(17,860)
Total Net Operating Expenditures	423,631	176,514	151,437	25,078	14.2%	36%	461,683

Note: Actuals include accruals

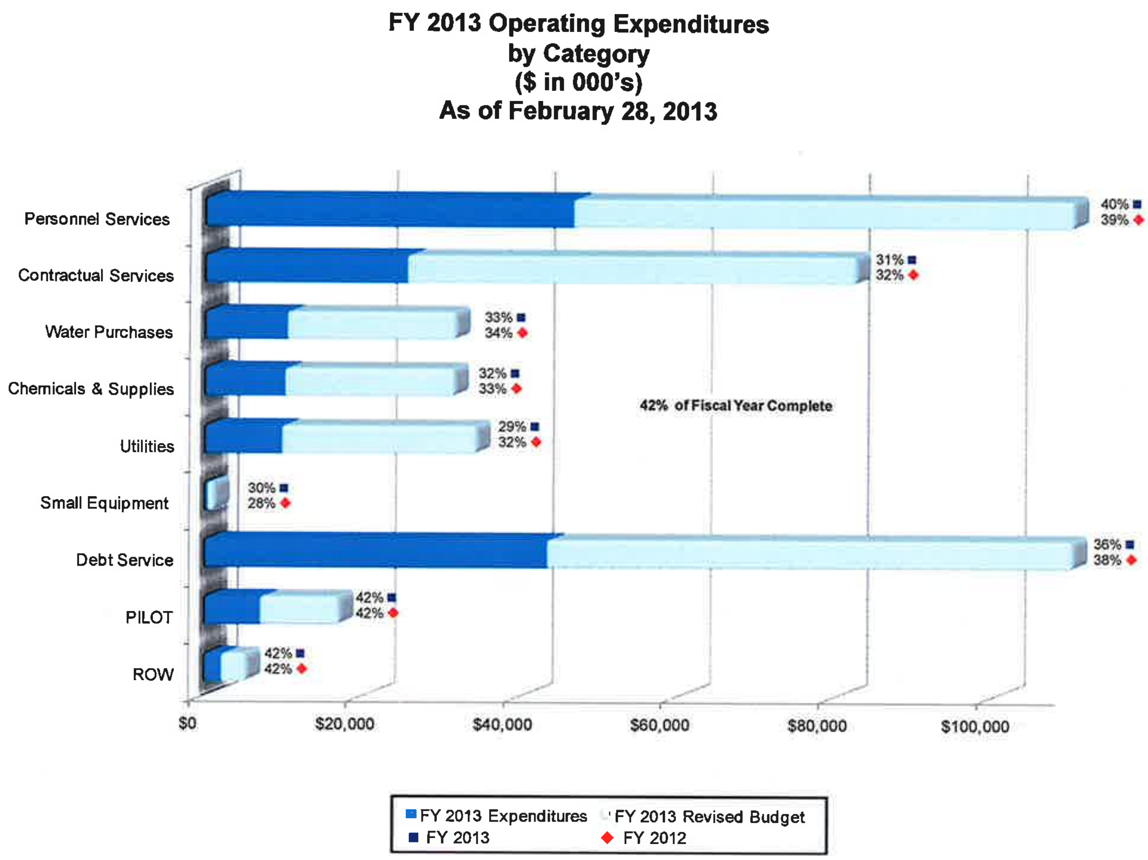
Discussion

Personnel services ($116.6 million annual budget; 39.3 percent of O&M budget) – At the end of February, personnel costs total $46.6 million or 40 percent of budget. Of the 1,212 positions budgeted (1,243 positions authorized), 1,054 positions were filled at the end of February. Overtime spending totals $2.7 million of the annual budget of $5.2 million, or 8 percent of regular payroll costs. Overtime costs to date are trending higher than the level of spending for the same period last year due to the Hurricane Sandy, emergency response to water main breaks caused by the fluctuation in temperature, support to the District for snow removal and the Presidential Inauguration. We will continue to monitor and report overtime activities and risks.

Contractual Services ($82.4 million annual budget; 27.7 percent of O&M budget) – At the end of February, contractual services expenditures total $25.6 million or 31 percent of budget. This is due to under spending in various contractual line items throughout the Authority.

Utilities ($34.2 million annual budget; 11.5 percent of O&M budget) – Additional information concerning actual performance in this category can be found later in this report.

Payment in Lieu of Taxes – ($16.9 million annual budget) – Payments and accrued expenses for the District's PILOT fee totaled $7.0 million. Actual payment differs due to previous Board direction and resulting offsets associated with the Fire Protection fee.


FY 2013 Operating Expenditures
by Category
($ in 000's)
As of February 28, 2013
Personnel Services
Contractual Services
Water Purchases
Chemicals & Supplies
Utilities
Small Equipment
Debt Service
PILOT
ROW
40%
39%
31%
32%
33%
34%
32%
33%
29%
32%
30%
28%
36%
38%
42%
42%
42%
42%
42% of Fiscal Year Complete
$0
$20,000
$40,000
$60,000
$80,000
$100,000
FY 2013 Expenditures
FY 2013 Revised Budget
FY 2013
FY 2012

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CAPITAL SPENDING

For the month of February 2013, actual disbursements totaled $43.8 million, with year-to-date disbursements totaling $197.4 million, or 31 percent of the Approved FY 2013 Revised Disbursements Budget. Planned capital disbursements through February 2013 were $268.6 million, or 42 percent of the FY 2013 Revised Disbursement Budget.

Capital Disbursements Variance
($ in 000's)
As of February 28, 2013

Description	FY 2013 Revised Disbursements Budget		Actual Disbursements			% of FY 2013 Revised Disbursements Budget	
	Annual	YTD	Oct. -'12 to Jan. -'13	FEB. -'13	YTD	Variance Compared to Plan	Percent of Annual Budget
Wastewater Treatment	$358,543	$152,743	88,742	$28,905	$117,648	23%	33%
Sanitary Sewer	29,084	9,369	6,176	2,282	8,458	10%	29%
Combined Sewer Overflow	163,509	70,144	37,998	8,614	46,612	34%	29%
Stormwater	3,252	1,078	1,384	163	1,546	-43%	48%
Water	60,858	25,242	12,580	2,619	15,199	40%	25%
Washington Aqueduct	10,598	2,650	1,418	0	1,418	46%	13%
Capital Equipment	18,422	7,346	5,353	1,171	6,524	11%	35%
Total Capital Projects	$644,265	$268,571	$153,652	$ 43,754	$197,406	26%	31%

Discussion

The spending variance between the FY 2013 Revised Disbursements Budget and Actual disbursements, on a year-to-date basis, amounted to approximately $71 million. More than 90 percent of the under-spending continues to be attributable to three Service Areas: Wastewater Treatment, Combined Sewer Overflow and Water.

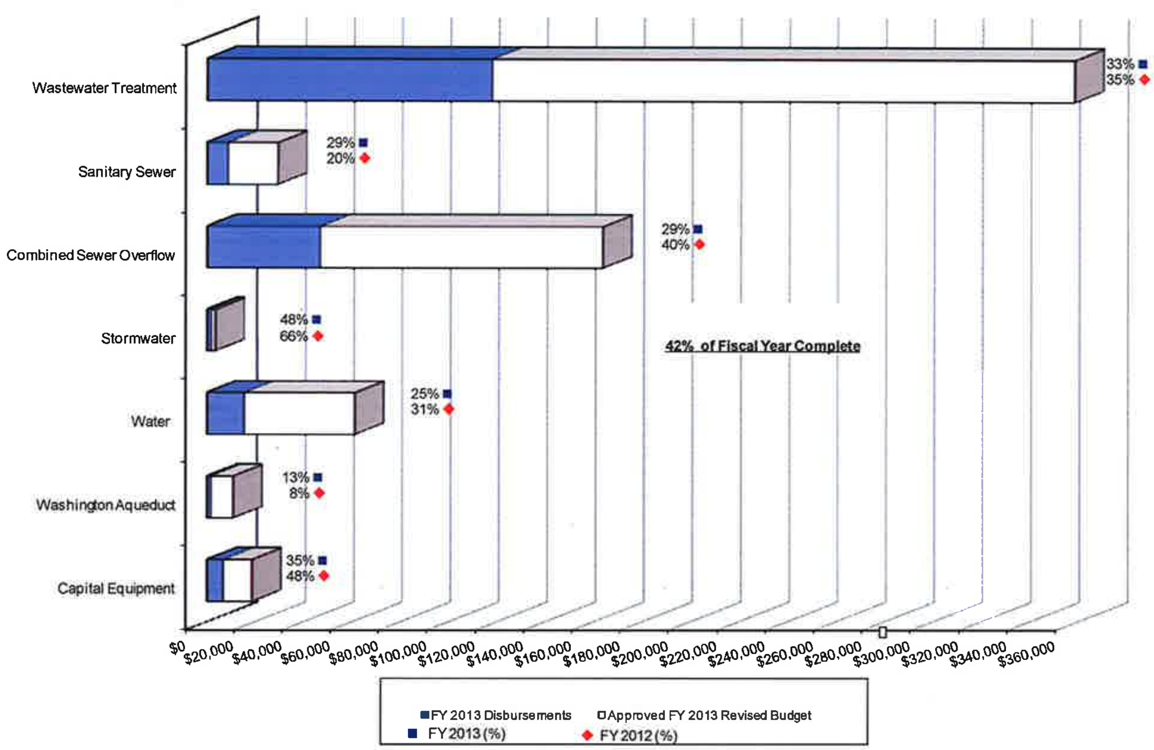
The Wastewater Treatment Service Area disbursements have been lower than budgeted, especially for the Enhanced Nitrogen Removal Facilities (ENRF) Program. This shortfall in spending spans all major projects in this Program, including the Nitrogen Removal Facilities Project, E9, which is partly the result of a later than expected procurement of equipment associated with the second construction contract. There has been no impact on the schedule of the project and the shortfall in spending is expected to recover in this fiscal year. The shortfall in disbursements for the Wet Weather Peak Mitigation (aka Blue Plains Tunnel Project-EG), and that for the DC Clean Rivers Projects (under the Combined Sewer Overflow Service Area) is for the reasons stated in the following paragraph.

As reported previously, spending in the Clean Rivers Program has been lower than budgeted mainly due to schedule delays associated with concrete quality issues on one of the Blue Plains Tunnel shaft diaphragm wall panels. This delay hindered progress on the shafts and follow-up tunneling work. A recovery plan has been accepted to mitigate the delays by adding 1 work day per week during the tunneling operations, which is anticipated to begin in late spring. Additionally, the spending was impacted by delays on CSO 019 Overflow Structure and Diversion Chamber, as noted in previous reports. These delays have been mitigated by replacement of the personnel and transfer of critical work to a subsequent contract (Anacostia River Tunnel). Although remediation plans are in place to mitigate impact to the critical path and to meet the consent decree of the project, Clean Rivers Program spending is currently not anticipated to fully recover in this fiscal year.

With regards to the Water Service Area, Water Distribution Systems, Water On-Going Projects and AMR Programs are responsible for the majority of the year-to-date under-spending: spending for all of these Programs, except for the Water On-going Program, is expected to recover during the remainder of the fiscal year.

The under-spending related to the Washington Aqueduct is attributable to delayed invoicing by the Aqueduct, and is expected to recover by the end of the fiscal year.

FY 2013 Capital Disbursements Compared to Plan
By Service Area
($ in 000's)
As of February 28, 2013



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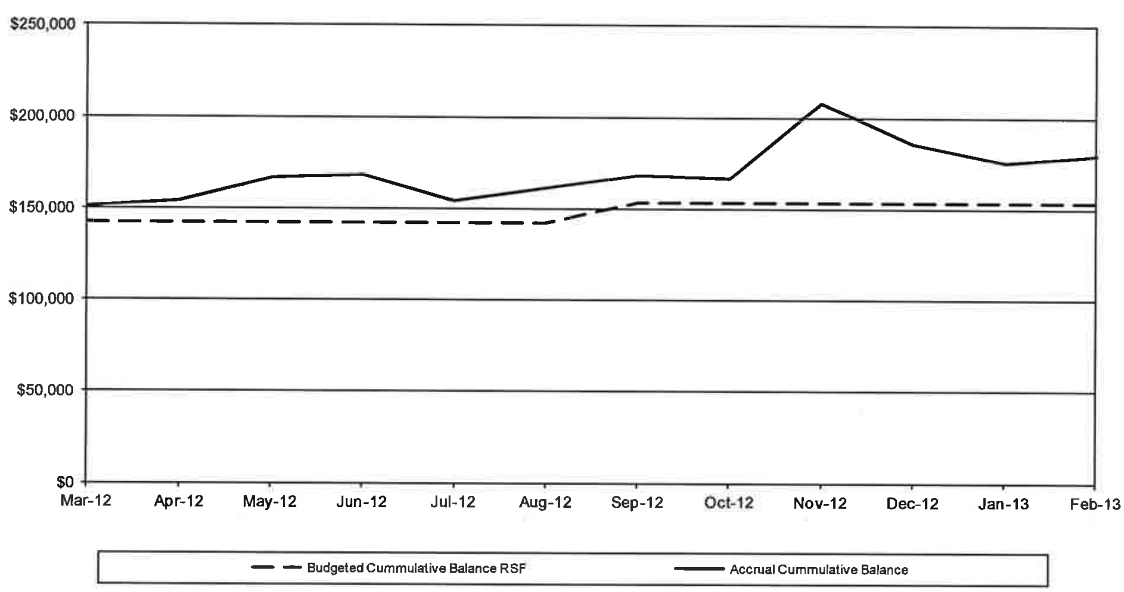
CASH AND INVESTMENT BALANCES

At the end of February, our operating reserve balance was $151.4 million as compared to the FY 2013 operating reserve level objective of $125.5 million. The following table provides a summary of all cash and investment account balances.

Cash Balances
As of February 28, 2013
($ in millions)

Rate Stabilization Fund Account (RSF)	$27.9
Operating Reserve Accounts	151.4
DC PILOT Fund	14.5
Operating Cash Balance Including RSF	**193.8**
Debt Service Reserve - Series 98	23.4
Bond Construction Fund - Series 10	34.4
Bond Construction Fund - Series 12	143.8
CSO LTCP Appropriations Account	35.7
Total All Funds	**$431.1**

FY 2013 Operating Cash Balances
($ in 000's)
(Operating Reserve and RSF)



Overall Portfolio Performance

At the end of February, DC Water's total investment portfolio performed well and complied with the Authority's Investment Policy. Returns exceeded the established benchmarks for short term (less than one year) and core (one plus years) funds. Interest income for February (on a cash basis) was $22,062, with year-to-date totals of $404,178 as compared to the budget of $539,336 for the year. A detailed investment performance report is attached.

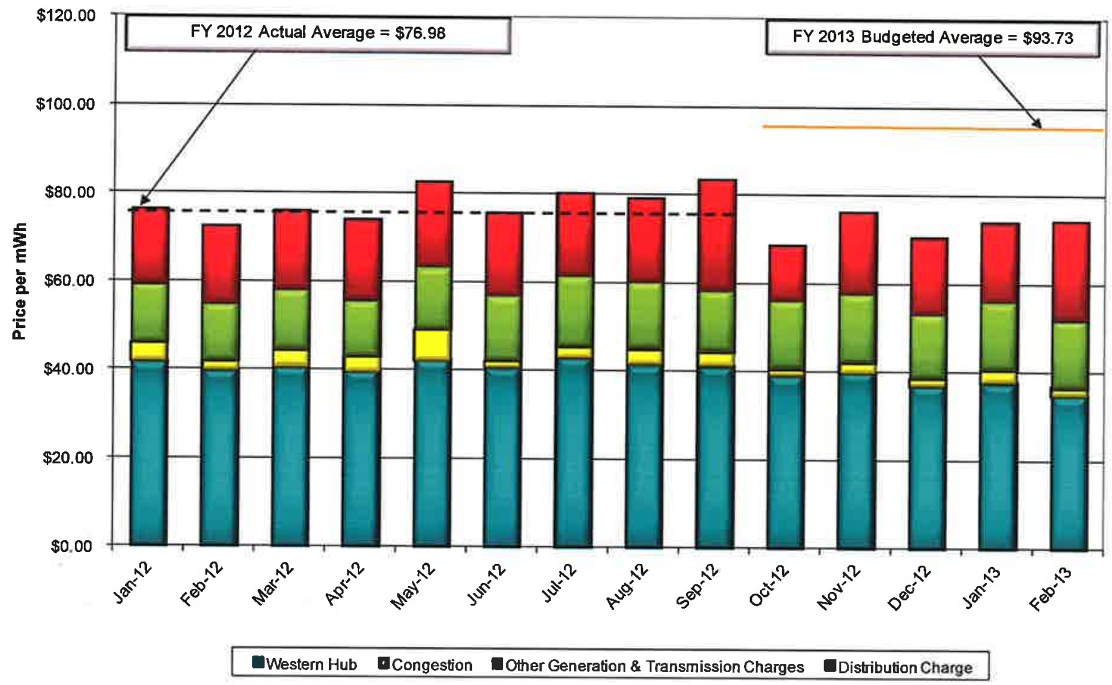
OTHER STATUS REPORTS

ELECTRICITY

As of February 2013, there are no electricity block purchases for the Authority. Electricity market conditions continue to be significantly below prior years' experience. Staff continues to monitor the futures market with intent to purchase additional electric loads for FY 2013 if market conditions are appropriate and in line with budget assumptions.

The chart below depicts the all-in-cost for the electricity purchased by the Authority. As indicated in the chart, electricity prices generally increase during the winter and summer peak months. The average all-in-cost paid for February 2013 was $74.21/mWh with the year-to-date average price of $72.77/mWh.

MONTHLY ELECTRICITY PRICING (ALL-IN-COST)



Notes: A) Other generation charges include the capacity charges, loss factor adjustments, ancillary costs, and other adder (administrative) fees associated with electricity procurement over the spot market
B) Prices include accruals for invoices not yet received.

Electricity Costs

The revised FY 2013 electricity budget of $25.2 million represents 78 percent of the total utilities budget and assumes an average all-in-cost of $93.73/mWh.

The current purchasing strategy can be compared to two benchmarks: the Standard Offer Service (S.O.S.) and spot market prices. As indicated in the chart below, DC Water's average year-to-date actual price is slightly higher than the spot market price and significantly below the S.O.S. price.

	All-In-Cost ($/mWh)		
	Unit Price		
	Standard Offer Service (S.O.S.)	Spot Market	Actual[1]
Oct-12	$124.80	66.56	68.75
Nov-12	$123.11	76.60	76.40
Dec-12	$126.19	63.93	70.49
Jan-13	$128.31	70.18	73.98
Feb-13	$125.90	74.21	74.21
YTD Average	**$125.66**	**$70.30**	**$72.77**

[1] Actual prices are inclusive of the price mix of monthly block purchases and spot market unit prices.

	Electricity Budget ($000)		
	Amount		Variance
	Budgeted	Actual	Budgeted vs Actual
Oct-12	$1,878	$1,473	$405
Nov-12	$1,827	$1,550	$277
Dec-12	$2,278	$1,398	$879
Jan-13	$2,492	$1,757	$735
Feb-13	$2,054	$1,464	$590
YTD Total	**$10,529**	**$7,643**	**$2,886**
Remainder	$14,694		
Total Budget	**$25,223**		

Overall, the FY 2013 electricity expenditure is tracking favorably to budget. The year-to-date savings is attributable to the current electricity market conditions and uncharacteristic weather climate experienced to date.

RETAIL & WHOLESALE ACCOUNTS RECEIVABLE

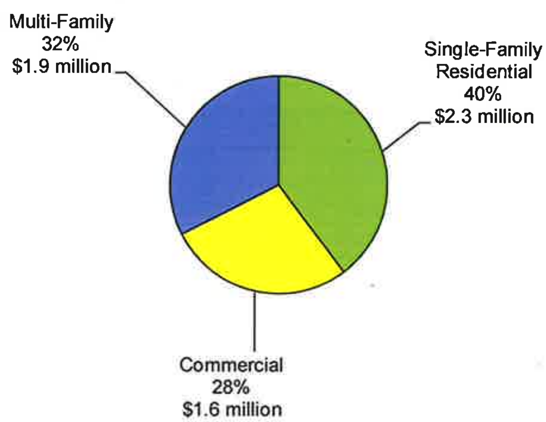
The following tables and chart show retail and wholesale accounts receivable over 90 days including a breakdown by customer class.

Delinquent Accounts Receivable Greater Than 90 Days by Customer February 28, 2013

	RETAIL Greater than 90 Days		WHOLESALE Greater than 90 Days		TOTAL Greater than 90 Days	
	$ in millions	# of accounts	$ in millions	# of accounts	$ in millions	# of accounts
September 30, 2008	$6.1	15,635	$0.0	0	$6.1	15,635
September 30, 2009	$4.9	10,211	$0.0	0	$4.9	10,211
September 30, 2010	$5.1	13,441	$0.0	0	$5.1	13,441
September 30, 2011	$5.5	13,039	$0.0	0	$5.5	13,039
September 30, 2012	$5.5	13,063	$0.0	0	$5.5	13,063
October 31, 2012	$5.7	12,537	$0.0	0	$5.7	12,537
November 30, 2012	$5.8	12,876	$0.0	0	$5.8	12,876
December 31, 2013	$6.0	13,480	$0.0	0	$6.0	13,480
January 31, 2013	$5.9	12,700	$0.0	0	$5.9	12,700
February 28, 2013	$5.8	12,269	$0.0	0	$5.8	12,269

**In June 09 the Authority wrote off approximately $1.3M of bad debt*

Retail Accounts Greater Than 90 Days by Customer Class February 28, 2013



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Delinquent Accounts Receivable
Greater Than 90 Days by Customer
February 28, 2013

	Number of Accounts			Month of February (All Categories)				Total Delinquent			
				Active		Inactive					
	W&S a/c	Impervious Only a/c	Total No. of a/c	No. of a/c	Amount ($)	No. of a/c	Amount ($)	No. of a/c Jan.	Amount ($)	No. of a/c Feb.	Amount ($)
Commercial	11,889	3,343	15,232	1,581	1,480,064.57	166	126,164.74	1,771	1,578,543.75	1,747	1,606,229.31
Multi-family	7,364	441	7,805	812	1,751,237.30	155	126,593.79	984	1,956,636.75	967	1,877,831.09
Single-Family Residenti	104,096	3,164	107,260	7,709	1,663,345.06	1,846	633,357.36	9,945	2,340,062.43	9,555	2,296,702.42
Total	123,349	6,948	130,297	10,102	4,894,646.93	2,167	886,115.89	12,700	5,875,242.93	12,269	5,780,762.82

Notes: -Included in the above $4.89m (or 10,102 accounts) of the DC Water Over 90 days delinquent accounts, $1,015,708.13 (or 2,867 accounts) represents Impervious only
Accounts over 90 days delinquent.
-Reportable delinquencies do not include balances associated with a long standing dispute between DC Water and a large commercial customer.

D.C. WATER AND SEWER AUTHORITY
FY 2013 CASH FLOW SUMMARY
through 2/28/13
($ in 000's)

	Annual Budget Cash Basis	YTD 42% Cash Budget	YTD Actual Cash Oct. 1, 2012 - Feb. 28 2013	Variance Favorable (Unfavorable)	
OPERATING BUDGET					
Cash Provided					
Retail	318,168	132,570	140,335	7,765	6%
Wholesale	75,195	31,331	35,625	4,293	14%
Other	47,497	19,790	16,159	(3,631)	-18%
Transfer from Rate Stabilization Fund	6,500	2,708		(2,708)	-100%
Total Cash Provided	**447,359**	**186,400**	**192,119**	**5,719**	**3%**
Operating Cash Used					
Personnel Services	99,919	41,633	43,331	(1,698)	-4%
Contractual Services	82,350	34,313	30,752	3,561	10%
Chemicals & Supplies	31,360	13,067	11,399	1,668	13%
Utilities	34,185	14,244	9,390	4,854	34%
Water Purchases	31,513	13,130	11,545	1,585	12%
Small Equipment	993	414	383	31	8%
Total Operating Cash Used	**280,320**	**116,800**	**106,799**	**10,001**	**9%**
Other Cash Used					
Debt Service	116,179	48,408	43,429	4,979	10%
Payment In Lieu of Taxes/Right of Way	21,982	9,159	8,757	402	4%
Total Other Cash Used	138,161	57,567	52,186	5,381	9%
Total Cash Used	**418,481**	**174,367**	**158,984**	**15,383**	**9%**
Net Cash Provided (Used) by Operating Act.	**28,878**	**12,033**	**33,134**	**21,102**	
CAPITAL BUDGET					
Cash Provided					
Debt Proceeds	319,568	133,153	70,064	(63,089)	-47%
Capital Equipment Financing	10,799	4,500		(4,500)	-100%
EPA Grants	32,424	13,510	8,781	(4,729)	-35%
CSO Grants	30,000	12,500	12,476	(24)	0%
Interest Income	303	126	162	36	28%
Wholesale Capital Contributions	225,614	94,006	86,437	(7,569)	-8%
Total Cash Provided	**618,709**	**257,795**	**177,920**	**(79,875)**	**-31%**
Cash Used					
DC Water Capital Program	631,968	263,320	195,988	67,332	26%
Washington Aqueduct Projects	10,598	4,416	1,418	2,998	68%
Total Cash Used	**642,566**	**267,736**	**197,406**	70,329	**26%**
Net Cash/PAYGO Provided (Used) by Cap. Act.	**(23,857)**	**(9,941)**	**(19,486)**	**(9,545)**	
Beginning Balance, October 1 (Net of Rate Stab. Fund) Projected	140,251		140,251		
Plus (Less) Operating Surplus	28,878	12,033	33,134		
Wholesale Customer Refunds from Prior Years	(5,800)	(2,417)			
Interest Earned From Bond Reserve	120	50	39		
Transfer to Rate Stabilization Fund	(4,100)	(1,708)			
Prior Year Federal Billing Reconciliation	(5,105)	(2,127)	(2,553)		
Customer Rebate	(4,200)	(1,750)			
Cash Used for Capital	(24,543)	(10,226)	(19,486)		
Balance Attributable to O&M Reserve	**125,500**		**151,385**		

OTHER CASH RESERVES	**Current Balance**
Rate Stabilization Fund	27,950
CSO Long-Term Control Plan Appropriation	35,722
DC PILOT Reserve Fund	14,476

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FY 2013 Overtime
Budget vs Actual
Period Ended February 28, 2013

Department	FY 2012 Annual Budget	FY 2012 Actual	FY 2012 Percent of Budget Expended	FY 2012 Actual to Budget $ Variance	FY 2013 Annual Budget	FY 2013 Percent of Annual Budget Expended	FY 2013 Year-to-Date Straight-Line Budget 10/01/12 - 02/28/13	FY 2013 Year-to-Date Actual 10/01/12 - 02/28/13	FY 2013 Year-to-Date Actual to Straight-Line Budget Variance	FY 2013 Year-to-Date Percentage YTD Straight-Line Budget Expended	YTD Overtime as % of YTD Regular
Office of the Secretary	4,000	2,729	68%	1,271	4,000	15%	1,604	615	989	38%	1%
General Manager	13,000	1,493	11%	11,507	10,000	6%	4,011	626	3,385	16%	0%
General Counsel	2,000	619	31%	1,381	2,000	0%	802	0	802	0%	0%
External Affairs	2,000	1,090	54%	910	2,000	25%	802	496	306	62%	0%
Internal Audit	-	-	0%	-	-	0%	0	0	0	0%	0%
Information Technology	24,006	23,207	97%	799	20,000	65%	8,022	12,950	(4,928)	161%	3%
Procurement	30,000	15,792	53%	14,208	30,000	90%	12,033	27,039	(15,006)	225%	3%
Customer Service	240,000	178,495	74%	61,505	240,000	49%	96,264	117,037	(20,773)	122%	4%
Finance & Budget	30,000	18,725	62%	11,275	30,000	65%	12,033	19,564	(7,531)	163%	1%
Risk Management	1,000	132	13%	868	1,000	2%	401	16	385	4%	0%
Assistant General Manager	1,000	1,040	104%	(40)	1,000	57%	401	574	(173)	143%	1%
Human Capital Management	5,000	26,255	525%	(21,255)	5,000	26%	2,005	1,291	715	64%	0%
Occupational Safety & Health	2,000	924	46%	1,076	2,000	1%	802	24	778	3%	0%
Facilities & Security	150,000	190,193	127%	(40,193)	200,000	75%	80,220	150,638	(70,419)	188%	10%
Water / Sewer Pump Maintenance	200,000	142,036	71%	57,964	200,000	47%	80,220	94,521	(14,302)	118%	10%
Engineering & Technical Services	548,481	780,106	142%	(231,625)	680,000	44%	272,747	297,278	(24,531)	109%	6%
Water Services	1,080,000	880,798	82%	199,202	1,080,000	50%	433,187	539,280	(106,093)	124%	13%
Clean Rivers	25,000	2,333	9%	22,667	5,000	43%	2,005	2,156	(151)	108%	1%
Sewer Services	900,000	874,742	97%	25,258	900,000	66%	360,989	596,280	(235,291)	165%	15%
Wastewater Treatment - Operations	956,000	1,092,676	114%	(136,676)	847,209	55%	339,815	462,836	(123,021)	136%	14%
Process Engineering	0	0		-	195,000	14%	78,214	27,895	50,319	36%	5%
Maintenance Services	800,000	717,769	90%	82,231	700,000	44%	280,769	307,541	(26,771)	110%	11%
Permit Operations	2,500	1,803	72%	697	11,000	15%	4,412	1,626	2,786	37%	0%
Fleet Management	1,000	808	81%	192	1,000	74%	401	736	(335)	183%	0%
Total DC WATER	**$5,016,987**	**$4,953,761**	**99%**	**$63,225**	**$5,166,209**	**52%**	**$2,072,161**	**$2,661,021**	**-$588,860**	**128%**	**8.2%**

Notes:

(1) "Budget 10/01/12 - 02/28/13 " reflects annual budget straight-lined

(2) " % YTD Budget Expended" reflects variance between straight-lined budget to-date and actual overtime

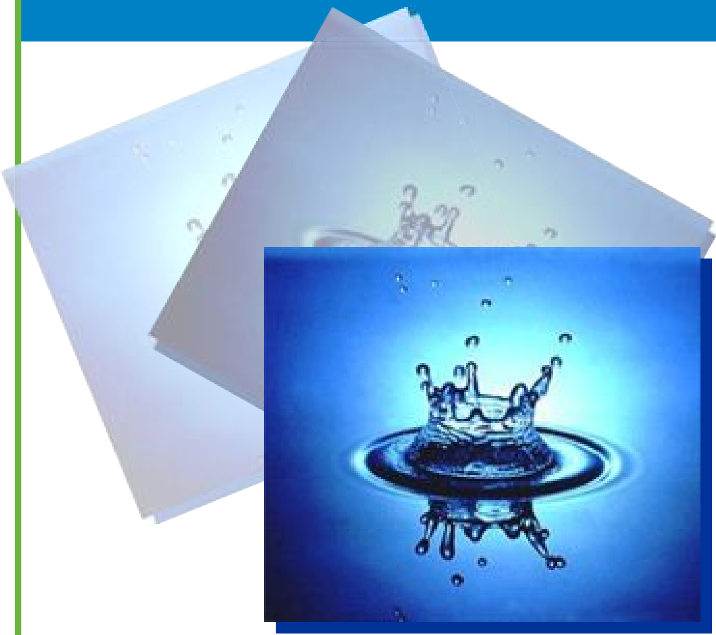
(3) "Actual 10/01/12 thru. 02/28/13" includes 5 days accruals for February.

(3) YTD payroll does not include fringe benefits

Capital Projects
FY 2013 Disbursements Analysis
as of February 28, 2013
(dollars in thousands)

Description	Approved FY 2013 Revised Disbursements Budget		Actual Disbursements			% of Approved FY 2013 Revised Disbursements Budget		Commitments
	Annual	YTD	Oct. -'12 to Jan. -'13	FEB. -'13	[1] YTD	Annual	YTD	
							42% of Fiscal Year Completed	
Wastewater Treatment								
Liquid Processing Projects	$23,884	$10,321	$7,633	$1,204	$8,836	37%	86%	45,837
Plantwide Projects	27,128	8,797	4,691	1,811	6,502	24%	74%	103,084
Solids Processing Projects	159,690	60,780	44,753	17,932	62,685	39%	103%	294,254
Enhanced Nitrogen Removal Facilities (*formerly Total Nitrogen Program*)	147,842	72,845	31,666	7,958	39,624	27%	54%	186,474
Total Wastewater Treatment	**358,543**	**152,743**	**88,743**	**28,905**	**117,648**	**33%**	**77%**	**629,648**
Sanitary Sewer								
Sanitary Collection Sewers	858	337	233	17	250	29%	74%	1,765
Sanitary On-Going Projects	10,544	2,380	1,495	513	2,008	19%	84%	9,204
Sanitary Pumping Facilities	679	352	170	52	222	33%	63%	368
Sanitary Sewer Program Management	4,229	1,746	1,018	812	1,830	43%	105%	14,451
Sanitary Interceptor/Trunk Force Sewers	12,774	4,554	3,260	888	4,149	32%	91%	13,503
Total Sanitary Sewer	**29,084**	**9,369**	**6,176**	**2,282**	**8,458**	**29%**	**90%**	**39,291**
Combined Sewer Overflow								
CSO Program Management	1,634	552	227	305	532	33%	96%	11,039
Combined Sewer Projects	8,955	4,094	867	168	1,034	12%	25%	21,845
D.C. Clean Rivers Project (aka *Long-Term Control Plan)*	152,920	65,498	36,905	8,142	45,046	29%	69%	204,619
Total Combined Sewer Overflow	**163,509**	**70,144**	**37,998**	**8,614**	**46,612**	**29%**	**66%**	**237,503**
Stormwater								
Stormwater Local Drainage	28	5	0	0	0	0%	0%	239
Stormwater On-Going Program	812	302	5	19	24	3%	8%	616
Stormwater Pumping Facilities	-	-	0	0	0			0
DDOT Stormwater Program	2	-	0	0	0	0%		0
Stormwater Research and Program Management	289	109	848	119	967	334%	887%	1,097
Stormwater Trunk/Force Sewers	2,120	662	530	26	556	26%	84%	481
Total Stormwater	**3,252**	**1,078**	**1,384**	**163**	**1,546**	**48%**	**143%**	**2,432**
Water								
Water Distribution Systems	25,445	11,305	7,105	1,363	8,468	33%	75%	29,031
Water On-Going Projects	10,321	3,806	2,137	345	2,483	24%	65%	9,066
Water Pumping Facilities	3,226	1,186	371	48	419	13%	35%	15,507
DDOT Water Projects	5,791	2,523	137	0	137			9,110
Water Storage Facilities	1,353	510	10	22	32	2%	6%	1,458
Water Projects Program Management	4,332	1,571	1,373	0	1,373	32%	87%	8,585
Water Lead Program	1,860	787	564	295	859	46%	109%	6,126
AMR Installation / Replacement	8,529	3,554	882	546	1,428	17%	40%	1,324
Total Water	**60,858**	**25,242**	**12,580**	**2,619**	**15,199**	**25%**	**60%**	**80,207**
Washington Aqueduct	**10,598**	**2,650**	**1,418**	**0**	**1,418**	**13%**	54%	
Capital Equipment	**18,422**	**7,346**	**5,353**	**1,171**	**6,524**	**35%**	**89%**	**6,194**
Total Capital Projects	**$644,265**	**$268,571**	**$153,652**	**$43,754**	**$197,406**	**31%**	**74%**	**995,275**

[1] Includes actual OCIP related disbursements of **$4,820,761**



DC Water

Investment Performance Report – February 2013

water is life

DC Water
Finance Division
Economic Update

ECONOMIC COMMENTARY

- The U.S. economy grew 0.1% during the fourth quarter of 2012.
- In February, the national unemployment rate fell 0.2% to 7.7% and the U.S. economy added 236,000 jobs, more than forecast.
- New-home sales jumped almost 16% in January from the prior month's levels, and 29% over the January 2012 figure. Sales of existing homes increased 0.4% in January to a slightly higher-than-expected annual rate of 4.92 million.
- The Fed's open-ended purchases of Treasuries and Agency MBS will likely remain a factor in the markets for months to come. These purchases will help to moderate rises in MBS and long-term Treasury rates.

PORTFOLIO RECAP

- The portfolio is diversified among Bank Deposits, Commercial Paper, Federal Agencies, U.S. Treasuries, FDIC Insured CDs, and SEC registered money market funds.
- The overall yield-to-cost of the portfolio is 0.31%.
- The portfolio is in compliance with the Authority's Investment Policy.

Operating Reserve Account
- The Authority purchased $15 million of 4 month commercial paper with a yield of 0.12%.

2012 Bond Construction Fund
- The Authority purchased $25 million of 2 month federal agency notes with a yield of 0.12%.

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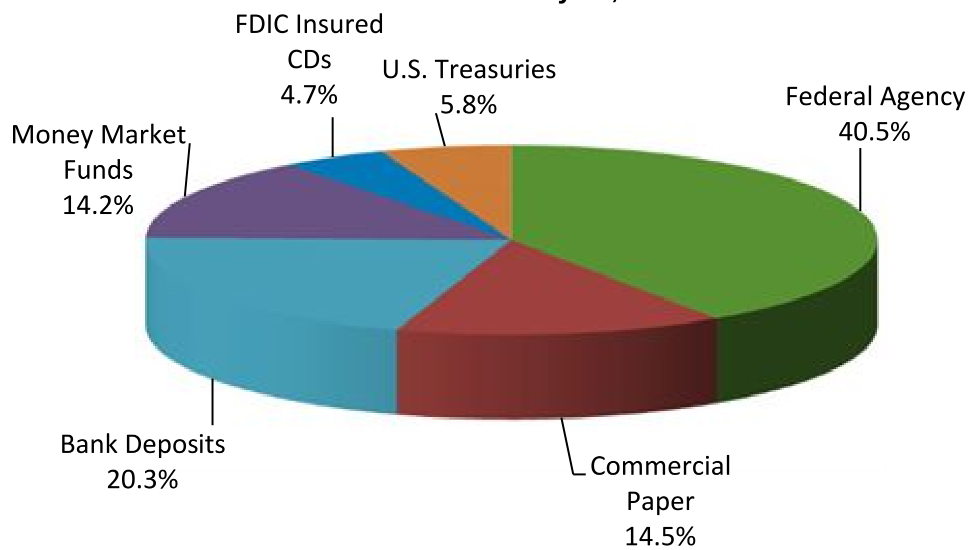
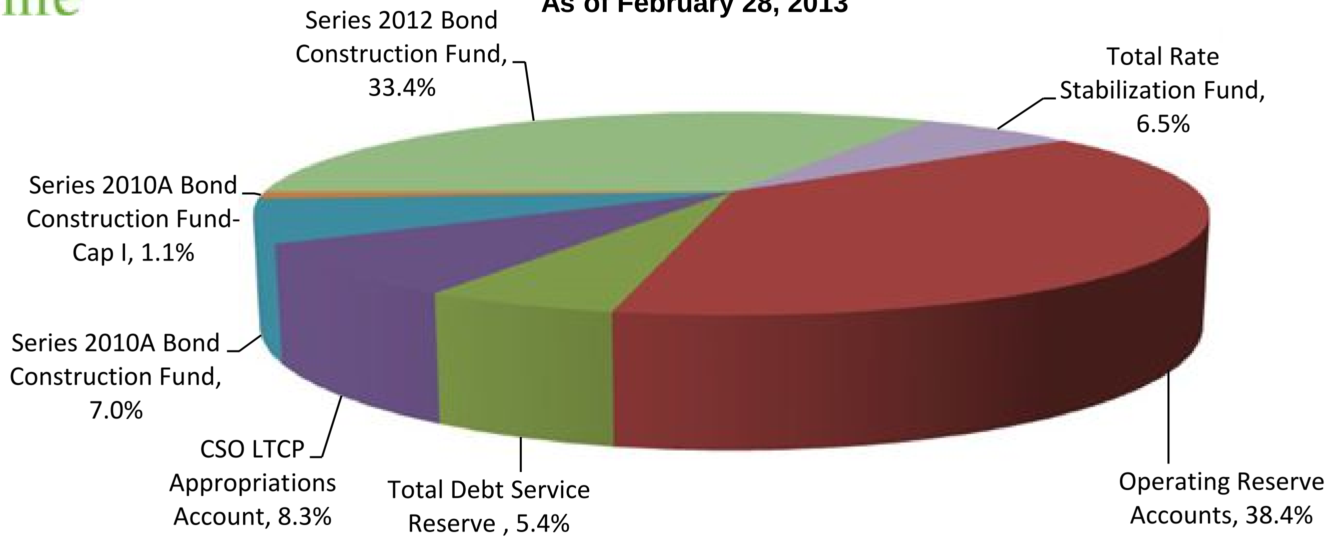
DC Water
Finance Division
Investments - By Security Type
As of February 28, 2013



Security Type	Book Value + Accrued Interest	Asset Allocation	Permitted By Policy
Bank Deposits	$ 87,511,647	20.3%	100.0%
Money Market Funds	61,206,543	14.2%	100.0%
Bankers Acceptances	-	0.0%	40.0%
Commercial Paper	62,504,922	14.5%	35.0%
U.S. Treasuries	24,999,570	5.8%	100.0%
Federal Agency	174,812,897	40.5%	80.0%
FDIC Insured CDs	20,087,486	4.7%	30.0%
Municipal Obligations	-	0.0%	20.0%
Total	**$ 431,123,064**	**100.0%**	

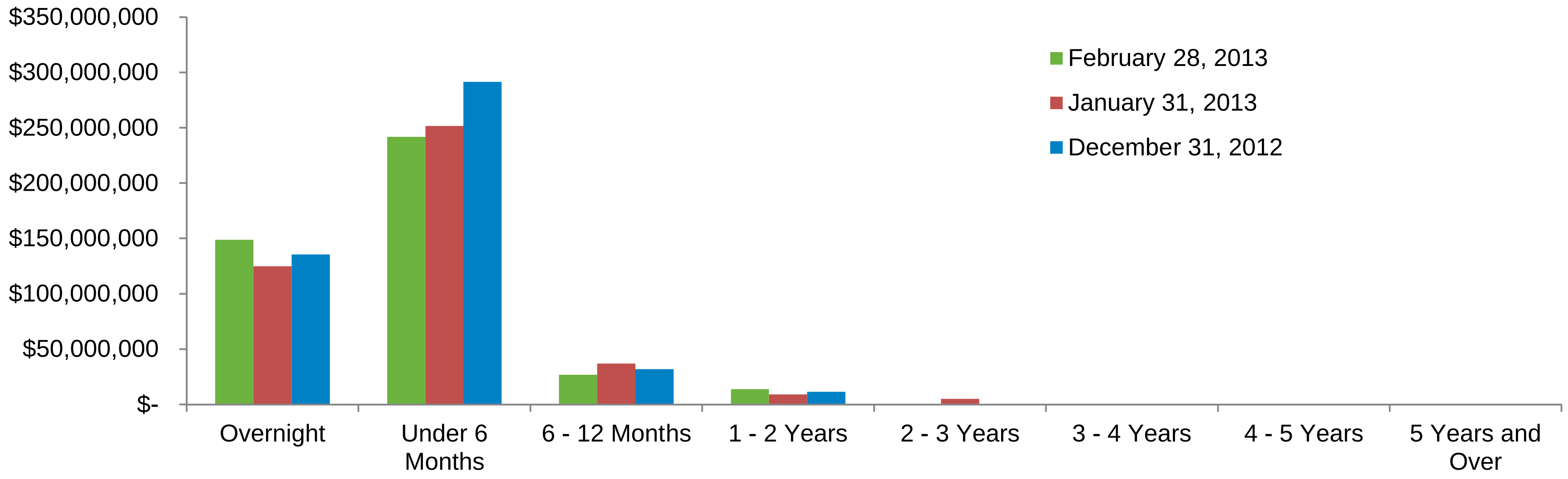
DC Water
Finance Division
Investment Analysis – By Fund
As of February 28, 2013



Fund Name		Book Value + Accrued Interest	Yield-to-Maturity at Cost	Effective Duration (years)	Weighted Average Maturity (days)
Total Rate Stabilization Fund	$	27,953,316	0.34%	0.11	38.6
Operating Reserve Accounts	$	165,667,177	0.59%	0.24	87.9
Total Debt Service Reserve	$	23,423,713	0.28%	0.63	230.8
Series 2010A Bond Construction Fund	$	29,988,897	0.03%	0.03	9.7
Series 2010A Bond Construction Fund- Cap I	$	4,570,372	0.88%	0.51	185.3
Total CSO LTCP Appropriations Account	$	35,723,269	0.29%	0.02	8.3
2012 Bond Construction Fund	$	143,796,319	0.05%	0.06	21.3
Total	**$**	**431,123,064**	**0.31%**	**0.16**	**59.2**

DC Water
Finance Division
Investment Analysis – By Maturity

Maturity Distribution	February 28, 2013	January 31, 2013	December 31, 2012
Overnight	$ 148,718,190.15	$ 124,933,693.58	$ 135,368,706.72
Under 6 Months	241,662,078.09	251,598,607.55	291,574,519.57
6 - 12 Months	26,813,067.40	36,812,121.46	31,754,570.51
1 - 2 Years	13,929,728.41	8,929,043.29	11,444,571.25
2 - 3 Years	-	4,995,215.03	-
3 - 4 Years	-	-	-
4 - 5 Years	-	-	-
5 Years and Over	-	-	-
Totals	**$ 431,123,064.05**	**$ 427,268,680.91**	**$ 470,142,368.05**



DC Water
Finance Division
Investments – Issuer Allocation

	Credit Ratings S&P / Moody's	Book Value		Investment Policy Limit	Compliance with Investment Policy
Bank Deposits					
TD Bank		77,444,005.29	18.0%	100.0%	Yes
Premier Bank		5,030,459.76	1.2%	100.0%	Yes
Capital One Bank		5,037,182.12	1.2%	100.0%	Yes
Sub-Total Bank Deposits		**87,511,647.17**	**20.3%**	100.0%	Yes
Money Market Mutual Funds					
American Beacon MMF	AAAm	1,483,350.70	0.3%	50.0%	Yes
Williams Capital Money Market Fund	AAAm	2,500,315.22	0.6%	50.0%	Yes
Merrill Lynch MMF	AAAm	1,185,162.16	0.3%	50.0%	Yes
Wells Fargo Advantage Treasury Plus	AAAm	17,961,712.30	4.2%	50.0%	Yes
Wells Fargo Government MMF	AAAm	38,076,002.60	8.8%	50.0%	Yes
Sub-Total Money Market Mutual Funds		**61,206,542.98**	**14.2%**	100.0%	Yes
Certificates of Deposit					
CDARs - Placed by Industrial Bank	NR / NR	15,061,657.58	3.5%	30.0%	Yes
CDARs - Placed by City First Bank	NR / NR	5,025,828.73	1.2%	30.0%	Yes
Sub-Total Certificates of Deposit		**20,087,486.31**	**4.7%**	30.0%	Yes
Commercial Paper					
Baylor University Comm Paper	A-1+ / NR	9,996,625.00	2.3%	5.0%	Yes
Fcar Owner Trust Comm Paper	A-1+ / P-1	9,997,688.90	2.3%	5.0%	Yes
General Elec Cap Corp Comm Paper	A-1+ / P-1	9,998,411.10	2.3%	5.0%	Yes
Private Export Fund Comm Paper	A-1 / P-1	9,998,750.00	2.3%	5.0%	Yes
University Of California Comm Paper	A-1+ / P-1	7,518,696.56	1.7%	5.0%	Yes
Wells Fargo & Company Comm Paper	A-1 / P-1	14,994,750.00	3.5%	5.0%	Yes
Sub-Total Commercial Paper		**62,504,921.56**	**14.5%**	35.0%	Yes
Federal Agencies					
Fannie Mae	AA+ / Aaa	52,814,696.64	12.3%	40.0%	Yes
Freddie Mac	AA+ / Aaa	80,196,895.87	18.6%	40.0%	Yes
Federal Home Loan Bank	AA+ / Aaa	41,801,304.02	9.7%	40.0%	Yes
Sub-Total Federal Agencies		**174,812,896.53**	**40.5%**	100.0%	Yes
Treasuries					
Treasury Note	AA+ / Aaa	24,999,569.50	5.8%	100.0%	Yes
Sub-Total Treasuries		**24,999,569.50**	**5.8%**	100.0%	Yes
Total		**$ 431,123,064.05**	**100.0%**		

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DC Water
Finance Division
Book Value Performance
As of February 28, 2013

The portfolio is in compliance with the Authority's Investment Policy

	Trailing 1 Months		Trailing 3 Months		Trailing 6 Months		Trailing 12 Months
	Periodic	Annualized	Periodic	Annualized	Periodic	Annualized	
Total Rate Stabilization Fund	0.03%	0.34%	0.05%	0.18%	0.19%	0.38%	0.52%
Operating Reserve Accounts	0.03%	0.41%	0.09%	0.38%	0.20%	0.41%	0.51%
Total Debt Service Reserve	0.02%	0.31%	0.07%	0.26%	0.19%	0.38%	0.45%
Total CSO LTCP Appropriations Account	0.01%	0.08%	0.02%	0.10%	0.06%	0.12%	0.17%
2010A Construction Fund	0.00%	0.03%	0.01%	0.04%	0.02%	0.04%	0.06%
2010A Capitalized Interest Fund	0.07%	0.98%	0.23%	0.92%	0.44%	0.89%	0.82%
2012 Construction Fund	0.00%	0.04%	0.02%	0.06%	0.04%	0.07%	n/a
Short-Term	**0.03%**	**0.34%**	**0.07%**	**0.29%**	**0.15%**	**0.31%**	**0.30%**
Merrill Lynch 3-Month Treasury Index (Book Value)[1]	0.00%	0.06%	0.01%	0.06%	0.04%	0.08%	0.08%
Core (1+ Years)	**0.05%**	**0.63%**	**0.16%**	**0.66%**	**0.38%**	**0.76%**	**0.80%**
Merrill Lynch 1-3 Year Treasury Index (Book Value)[2]	0.02%	0.27%	0.07%	0.27%	0.13%	0.27%	0.28%

(1) The Merrill Lynch 3-Month Treasury Bill is an unmanaged index tracking the on-the-run Treasury Bill. The Index is produced and maintained by Merrill Lynch & Co. Performance for this index is shown on a book value basis.

(2) The Merrill Lynch 3-Month Treasury Bill is an unmanaged index tracking a basket of U.S. Treasuries with 1 to 3 year maturities. The Index is produced and maintained by Merrill Lynch & Co. Performance for this index is shown on a book value basis.

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DC Water
Finance Division
Portfolio Holdings by Fund

DESCRIPTION	PAR AMOUNT	COUPON RATE	MATURITY DATE	SETTLEMENT DATE	YTM AT COST	ORIGINAL COST	MARKET VALUE + ACCRUED INTEREST	AMORTIZED COST + ACCRUED INTEREST	TOTAL VALUE
Total Rate Stabilization Fund									
TD BANK BANK DEPOSIT	$ 7,957,225		3/1/2013		0.90%	$ 7,957,225	$ 7,957,225	$ 7,957,225	
FHLMC DISC NOTE	10,000,000	-	3/25/2013	12/28/2012	0.08%	9,998,067	9,999,225	9,999,467	
BAYLOR UNIVERSITY COMM PAPER	10,000,000	-	5/21/2013	1/14/2013	0.15%	9,994,708	9,994,708	9,996,625	
									$ 27,953,316.47
Operating Reserve Accounts									
TD BANK BANK DEPOSIT	$ 60,276,986		3/1/2013		0.90%	$ 60,276,986	$ 60,276,986	$ 60,276,986	
CAPITAL ONE BANK	5,037,182		3/1/2013		0.50%	5,037,182	5,037,182	5,037,182	
WILLIAMS CAPITAL MONEY MARKET FUND	2,500,315		3/1/2013		0.00%	2,500,315	2,500,315	2,500,315	
CITY FIRST BK OF WASHINGTON, DC (CDARS)	2,500,000	0.500	3/23/2013	3/23/2012	0.50%	2,500,000	2,512,624	2,511,740	
PRIVATE EXPORT FUND COMM PAPER	10,000,000	-	3/26/2013	11/27/2012	0.18%	9,994,050	9,999,130	9,998,750	
GENERAL ELEC CAP CORP COMM PAPER	10,000,000	-	3/27/2013	11/27/2012	0.22%	9,992,667	9,999,270	9,998,411	
FHLMC DISC NOTE	5,000,000	-	3/28/2013	11/27/2012	0.12%	4,997,983	4,999,546	4,999,550	
FCAR OWNER TRUST COMM PAPER	10,000,000	-	4/2/2013	11/27/2012	0.26%	9,990,900	9,998,520	9,997,689	
UNIVERSITY OF CALIFORNIA COMM PAPER	7,520,000	-	4/9/2013	1/14/2013	0.16%	7,517,159	7,517,159	7,518,697	
WELLS FARGO & COMPANY COMM PAPER	15,000,000	-	6/14/2013	2/26/2013	0.12%	14,994,600	14,988,645	14,994,750	
FHLB NOTES	10,000,000	0.750	8/28/2013	5/18/2011	0.72%	10,008,025	10,050,425	10,023,531	
INDUSTRIAL BANK CDARS	5,000,000	0.600	10/17/2013	10/18/2012	0.60%	5,000,000	5,011,014	5,011,014	
FHLB TAP BONDS	10,000,000	3.125	12/13/2013	5/19/2011	0.99%	10,675,134	10,296,518	10,233,830	
INDUSTRIAL BANK CDARS	2,512,497	0.620	1/23/2014	1/24/2013	0.62%	2,512,497	2,514,055	2,514,055	
INDUSTRIAL BANK CDARS	2,500,000	0.900	1/27/2014	1/26/2012	0.90%	2,500,000	2,524,658	2,524,658	
CITY FIRST BK OF WASHINGTON, DC (CDARS)	2,500,000	0.600	3/23/2014	3/23/2012	0.60%	2,500,000	2,520,391	2,514,088	
INDUSTRIAL BANK CDARS	5,000,000	0.650	10/16/2014	10/18/2012	0.65%	5,000,000	5,011,932	5,011,932	
									$ 165,667,176.85
Total Debt Service Reserve									
MERRILL LYNCH MMF	1,185,162		3/1/2013		0.06%	1,185,162	1,185,162	1,185,162	
WELLS FARGO GOVERNMENT MMF	2,121,737		3/1/2013		0.01%	2,121,737	2,121,737	2,121,737	
FANNIE MAE DISC NOTE	10,000,000	-	4/1/2013	12/18/2012	0.05%	9,998,556	9,998,921	9,999,569	
FHLB TAP BONDS	5,000,000	3.125	12/13/2013	5/25/2011	0.87%	5,354,034	5,148,259	5,121,655	
FEDERAL HOME LOAN BANK GLOBAL NOTES	5,000,000	0.250	2/20/2015	1/30/2013	0.30%	4,995,000	4,992,902	4,995,590	
									$ 23,423,713.23

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DC Water
Finance Division
Portfolio Holdings by Fund

DESCRIPTION	PAR AMOUNT	COUPON RATE	MATURITY DATE	SETTLEMENT DATE	YTM AT COST	ORIGINAL COST	MARKET VALUE + ACCRUED INTEREST	AMORTIZED COST + ACCRUED INTEREST	TOTAL VALUE
Series 2010A Bond Construction Fund									
WELLS FARGO ADVANTAGE TREASURY PLUS	$ 17,871,835		3/1/2013		0.01%	$ 17,871,835	$ 17,871,835	$ 17,871,835	
WELLS FARGO GOVERNMENT MMF	2,117,640		3/1/2013		0.01%	2,117,640	2,117,640	2,117,640	
FNMA DISC NOTE	10,000,000	-	3/27/2013	12/28/2012	0.08%	9,998,022	9,999,138	9,999,422	
									$ 29,988,897.40
Series 2010A Bond Construction Fund- Cap I									
WELLS FARGO GOVERNMENT MMF	$ 237,589		3/1/2013		0.01%	$ 237,589	$ 237,589	$ 237,589	
WELLS FARGO ADVANTAGE TREASURY PLUS	89,877		3/1/2013		0.01%	89,877	89,877	89,877	
FHLB TAP BONDS	1,400,000	3.875	3/8/2013	3/16/2011	0.70%	1,488,359	1,427,084	1,426,931	
FNMA NOTES	1,400,000	1.125	9/30/2013	3/16/2011	0.97%	1,412,681	1,414,116	1,407,857	
FNMA NOTES (EX-CALLABLE)	1,400,000	1.250	3/14/2014	3/16/2011	1.19%	1,402,617	1,423,125	1,408,118	
									$ 4,570,372.48
Total CSO LTCP Appropriations Account									
TD BANK BANK DEPOSIT	$ 9,209,795		3/1/2013		0.90%	$ 9,209,795	$ 9,209,795	$ 9,209,795	
PREMIER BANK DEPOSIT	5,030,460		3/1/2013		0.24%	5,030,460	5,030,460	5,030,460	
AMERICAN BEACON MMF	1,483,351		3/1/2013		0.04%	1,483,351	1,483,351	1,483,351	
FANNIE MAE DISC NOTE	10,000,000	-	3/13/2013	1/31/2013	0.03%	9,999,647	9,999,671	9,999,897	
FEDERAL HOME LOAN BANKS DISC NOTE	10,000,000	-	3/15/2013	12/18/2012	0.06%	9,998,550	9,999,607	9,999,767	
									$ 35,723,268.57
Series 2012 Bond Construction Fund									
WELLS FARGO GOVERNMENT MMF	$ 33,599,037		3/1/2013		0.01%	$ 33,599,037	$ 33,599,037	$ 33,599,037	
FANNIE MAE DISC NOTE	20,000,000	-	3/13/2013	1/30/2013	0.03%	19,999,417	19,999,343	19,999,833	
US TREASURY BILL	25,000,000	-	3/21/2013	1/31/2013	0.03%	24,998,945	24,999,125	24,999,570	
FHLMC DISC NOTE	40,000,000	-	3/27/2013	12/18/2012	0.05%	39,994,500	39,996,551	39,998,556	
FHLMC GLOBAL NOTES	25,000,000	1.625	4/15/2013	2/26/2013	0.12%	25,051,062	25,198,497	25,199,323	
									$ 143,796,319.05
						$ 431,585,369.52	**$ 431,252,348.21**	**$ 431,123,064.05**	**$ 431,123,064.05**

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DC Water
Finance Division
Security Transactions
Last 6 Months

ACCOUNT	CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	SETTLE DATE	YTM		TRANSACTION AMOUNT
Purchases									
DC WASA 2010A CONSTRUCTION FUND	9127956Y2	US TREASURY BILL	20,000,000	-	12/27/12	10/24/12	0.112	$	19,996,088.89
DC WASA 2010A CONSTRUCTION FUND	313589DP5	FNMA DISC NOTE	10,000,000	-	03/27/13	12/28/12	0.081	$	9,998,022.00
DC WASA OPERATING RESERVE ACCOUNTS	RE0937269	INDUSTRIAL BANK CDARS	5,000,000	0.650	10/16/14	10/18/12	0.659	$	5,000,000.00
DC WASA OPERATING RESERVE ACCOUNTS	RE0937277	INDUSTRIAL BANK CDARS	5,000,000	0.600	10/17/13	10/18/12	0.608	$	5,000,000.00
DC WASA OPERATING RESERVE ACCOUNTS	64105RNN6	NESTLE FINANCE INTL LTD COMM PAPER	10,000,000	-	01/22/13	11/20/12	0.132	$	9,997,725.00
DC WASA OPERATING RESERVE ACCOUNTS	313385BA3	FHLB DISC NOTE	10,000,000	-	01/25/13	11/20/12	0.066	$	9,998,808.33
DC WASA OPERATING RESERVE ACCOUNTS	313397CL3	FHLMC DISC NOTE	15,000,000	-	02/28/13	11/20/12	0.112	$	14,995,416.67
DC WASA OPERATING RESERVE ACCOUNTS	3024A6R20	FCAR OWNER TRUST COMM PAPER	10,000,000	-	04/02/13	11/27/12	0.264	$	9,990,900.00
DC WASA OPERATING RESERVE ACCOUNTS	36959HQT7	GENERAL ELEC CAP CORP COMM PAPER	10,000,000	-	03/27/13	11/27/12	0.223	$	9,992,666.67
DC WASA OPERATING RESERVE ACCOUNTS	59157TPR8	METLIFE SHORT TERM FUNDING COMM PAPER	5,000,000	-	02/25/13	11/27/12	0.172	$	4,997,875.00
DC WASA OPERATING RESERVE ACCOUNTS	7426M4QS9	PRIVATE EXPORT FUND COMM PAPER	10,000,000	-	03/26/13	11/27/12	0.183	$	9,994,050.00
DC WASA OPERATING RESERVE ACCOUNTS	313397DQ1	FHLMC DISC NOTE	5,000,000	-	03/28/13	11/27/12	0.122	$	4,997,983.33
DC WASA OPERATING RESERVE ACCOUNTS	91411SR93	UNIVERSITY OF CALIFORNIA COMM PAPER	7,520,000	-	04/09/13	01/14/13	0.162	$	7,517,159.11
DC WASA OPERATING RESERVE ACCOUNTS	RE0962176	INDUSTRIAL BANK CDARS	2,512,497	0.620	01/23/14	01/24/13	0.629	$	2,512,497.09
DC WASA OPERATING RESERVE ACCOUNTS	**9497F0TE2**	**WELLS FARGO & COMPANY COMM PAPER**	**15,000,000**	**-**	**06/14/13**	**02/26/13**	**0.122**	**$**	**14,994,600.00**
DC WASA TOTAL CSO LTCP APPROPRIATIONS	06416JN41	BANK OF NOVA SCOTIA NY COMM PAPER	10,000,000	-	01/04/13	09/26/12	0.122	$	9,996,666.67
DC WASA TOTAL CSO LTCP APPROPRIATIONS	313385AS5	FHLB DISC NOTE	10,000,000	-	01/17/13	09/27/12	0.101	$	9,996,888.89
DC WASA TOTAL CSO LTCP APPROPRIATIONS	313385DB9	FEDERAL HOME LOAN BANKS DISC NOTE	10,000,000	-	03/15/13	12/18/12	0.061	$	9,998,550.00
DC WASA TOTAL CSO LTCP APPROPRIATIONS	313589CZ4	FANNIE MAE DISC NOTE	10,000,000	-	03/13/13	01/31/13	0.031	$	9,999,646.94
DC WASA TOTAL DEBT SERVICE RESERVE	4662J0NP3	JP MORGAN CHASE & CO COMM PAPER	5,000,000	-	01/23/13	10/24/12	0.183	$	4,997,725.00
DC WASA TOTAL DEBT SERVICE RESERVE	313589DU4	FANNIE MAE DISC NOTE	10,000,000	-	04/01/13	12/18/12	0.051	$	9,998,555.56
DC WASA TOTAL DEBT SERVICE RESERVE	313381YP4	FEDERAL HOME LOAN BANK GLOBAL NOTES	5,000,000	0.250	02/20/15	01/30/13	0.299	$	4,995,173.61
DC WASA RATE STABILIZATION FD	07286MNE7	BAYLOR UNIVERSITY COMM PAPER	10,000,000	-	01/14/13	09/26/12	0.152	$	9,995,416.67
DC WASA RATE STABILIZATION FD	313397DM0	FHLMC DISC NOTE	10,000,000	-	03/25/13	12/28/12	0.081	$	9,998,067.00
DC WASA RATE STABILIZATION FD	07286MSM4	BAYLOR UNIVERSITY COMM PAPER	10,000,000	-	05/21/13	01/14/13	0.152	$	9,994,708.33
DC WASA 2012 CONSTRUCTION FUND	313397BE0	FHLMC DISC NOTE	25,000,000	-	01/29/13	09/26/12	0.091	$	24,992,187.50
DC WASA 2012 CONSTRUCTION FUND	313385AS5	FHLB DISC NOTE	20,000,000	-	01/17/13	09/27/12	0.101	$	19,993,777.78
DC WASA 2012 CONSTRUCTION FUND	912828MB3	US TREASURY NOTES	35,000,000	1.125	12/15/12	10/24/12	0.135	$	35,190,151.13
DC WASA 2012 CONSTRUCTION FUND	912828MN7	US TREASURY NOTES	25,000,000	1.375	02/15/13	11/20/12	0.085	$	25,166,817.77
DC WASA 2012 CONSTRUCTION FUND	313397CB5	FHLMC DISC NOTE	15,000,000	-	02/19/13	11/20/12	0.101	$	14,996,208.33
DC WASA 2012 CONSTRUCTION FUND	313397DP3	FHLMC DISC NOTE	40,000,000	-	03/27/13	12/18/12	0.051	$	39,994,500.00
DC WASA 2012 CONSTRUCTION FUND	313589CZ4	FANNIE MAE DISC NOTE	20,000,000	-	03/13/13	01/30/13	0.025	$	19,999,416.67
DC WASA 2012 CONSTRUCTION FUND	9127957M7	US TREASURY BILL	25,000,000	-	03/21/13	01/31/13	0.031	$	24,998,945.14
DC WASA 2012 CONSTRUCTION FUND	**3137EACJ6**	**FHLMC GLOBAL NOTES**	**25,000,000**	**1.625**	**04/15/13**	**02/26/13**	**0.123**	**$**	**25,198,891.61**

*Securities highlighted in **blue font** denote trades executed during the current month.*

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DC Water
Finance Division
Upcoming Transaction Cash Flows
Next 30 Days

DATE	TRANSACTION	CUSIP	DESCRIPTION	COUPON	MATURITY DATE	PAR VALUE/SHARES	PRINCIPAL	INTEREST	TOTAL
Total Rate Stabilization Fund									
03/25/13	MATURITY	313397DM0	FHLMC DISC NOTE		03/25/13	10,000,000	9,998,067.00	1,933.00	10,000,000.00
Operating Reserve Accounts									
03/23/13	MATURITY	RE0857798	CITY FIRST BK OF WASHINGTON,	0.500	03/23/13	2,500,000	2,500,000.00	12,500.00	2,512,500.00
03/26/13	MATURITY	7426M4QS9	PRIVATE EXPORT FUND COMM PAPER		03/26/13	10,000,000	9,994,050.00	5,950.00	10,000,000.00
03/27/13	MATURITY	36959HQT7	GENERAL ELEC CAP CORP COMM PAPER		03/27/13	10,000,000	9,992,666.67	7,333.33	10,000,000.00
03/28/13	MATURITY	313397DQ1	FHLMC DISC NOTE		03/28/13	5,000,000	4,997,983.33	2,016.67	5,000,000.00
Series 2010A Bond Construction Fund									
03/27/13	MATURITY	313589DP5	FNMA DISC NOTE		03/27/13	10,000,000	9,998,022.00	1,978.00	10,000,000.00
Series 2010A Bond Construction Fund- Cap I									
03/08/13	MATURITY	3133XQ2D3	FHLB TAP BONDS	3.875	03/08/13	1,400,000	1,400,000.00	27,125.00	1,427,125.00
03/14/13	INTEREST	31398A3K6	FNMA NOTES (EX-CALLABLE)	1.250	03/14/14	1,400,000	0.00	8,750.00	8,750.00
03/30/13	INTEREST	31398A2M3	FNMA NOTES	1.125	09/30/13	1,400,000	0.00	7,875.00	7,875.00
Total CSO LTCP Appropriations Account									
03/13/13	MATURITY	313589CZ4	FANNIE MAE DISC NOTE		03/13/13	10,000,000	9,999,646.94	353.06	10,000,000.00
Series 2012 Bond Construction Fund									
03/13/13	MATURITY	313589CZ4	FANNIE MAE DISC NOTE		03/13/13	20,000,000	19,999,416.67	583.33	20,000,000.00
03/21/13	MATURITY	9127957M7	US TREASURY BILL		03/21/13	25,000,000	24,998,945.14	1,054.86	25,000,000.00
03/27/13	MATURITY	313397DP3	FHLMC DISC NOTE		03/27/13	40,000,000	39,994,500.00	5,500.00	40,000,000.00
Total CSO LTCP Appropriations Account									
03/15/13	MATURITY	313385DB9	FEDERAL HOME LOAN BANKS DISC NOTE		03/15/13	10,000,000	9,998,550.00	1,450.00	10,000,000.00

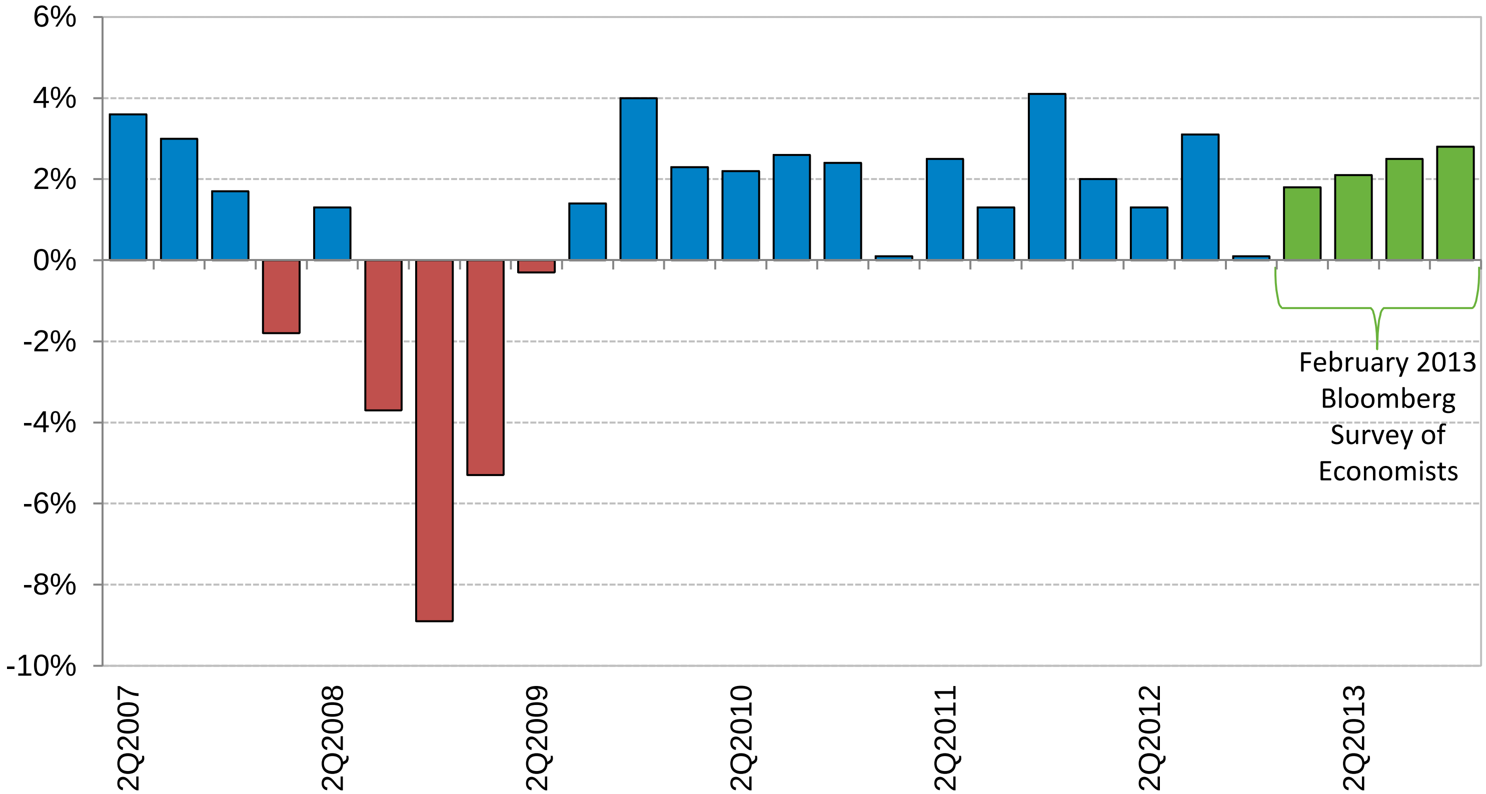
Appendix:
Economic Update

Minimal GDP Growth in the Fourth Quarter

- The first revision to gross domestic product ("GDP") growth showed that the U.S. economy grew by 0.1% in the fourth quarter of 2012.

GDP Growth

July 2007 – December 2012 (projected)

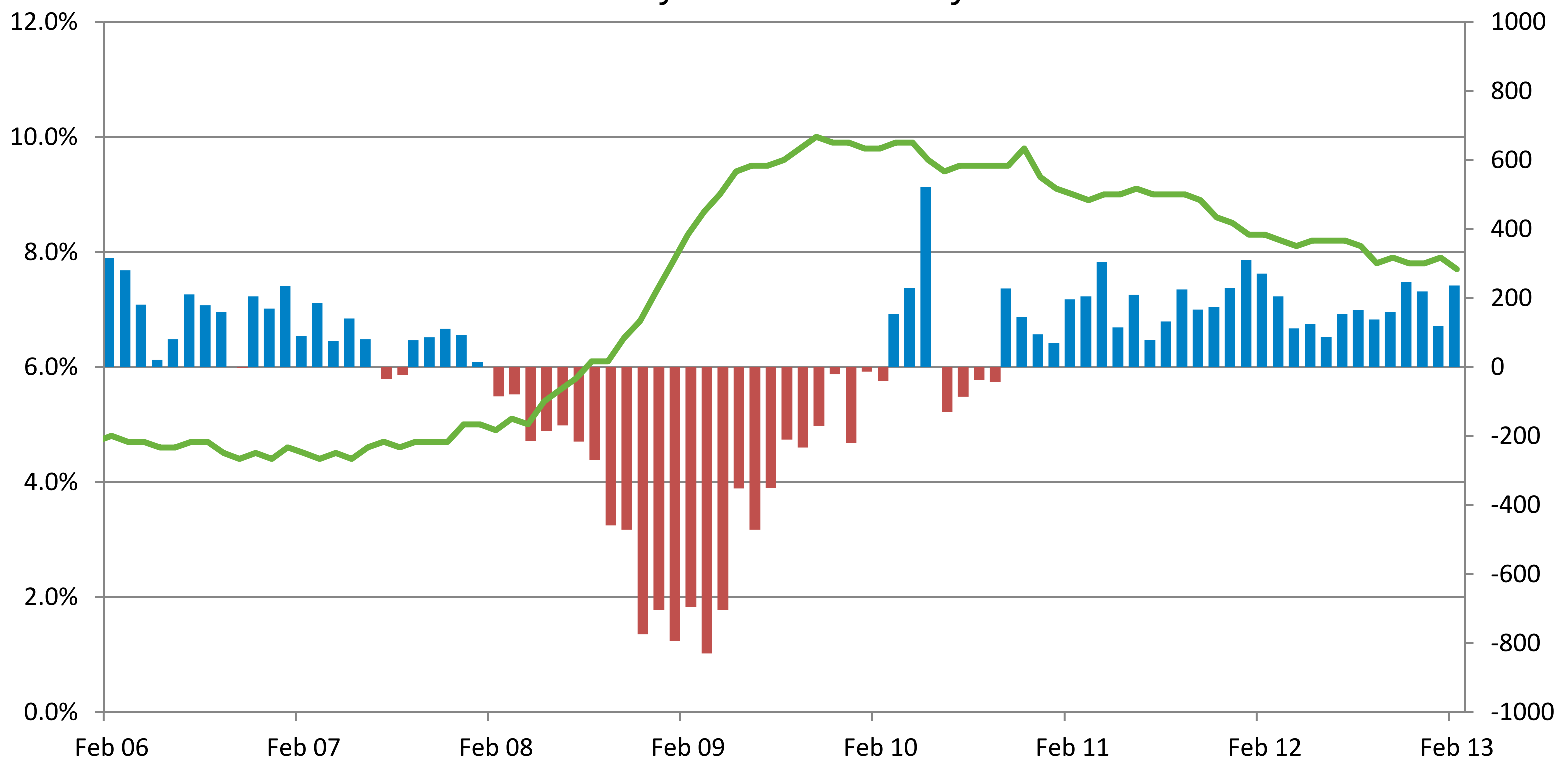


Source: Bloomberg

Employment Report

- The U.S. unemployment rate fell by 0.2% to 7.7% in February as employers added a greater number of jobs than expected.
- Federal Reserve Chairman Ben Bernanke testified before Congress at the end of the month that the jobless rate was unlikely to normalize for several years.

Unemployment vs. Non-Farm Payrolls
February 2006 – February 2013

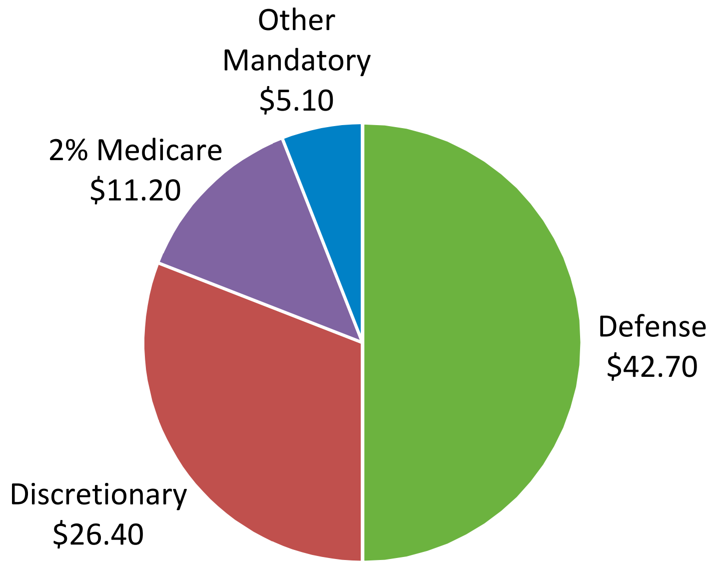


Source: Bloomberg

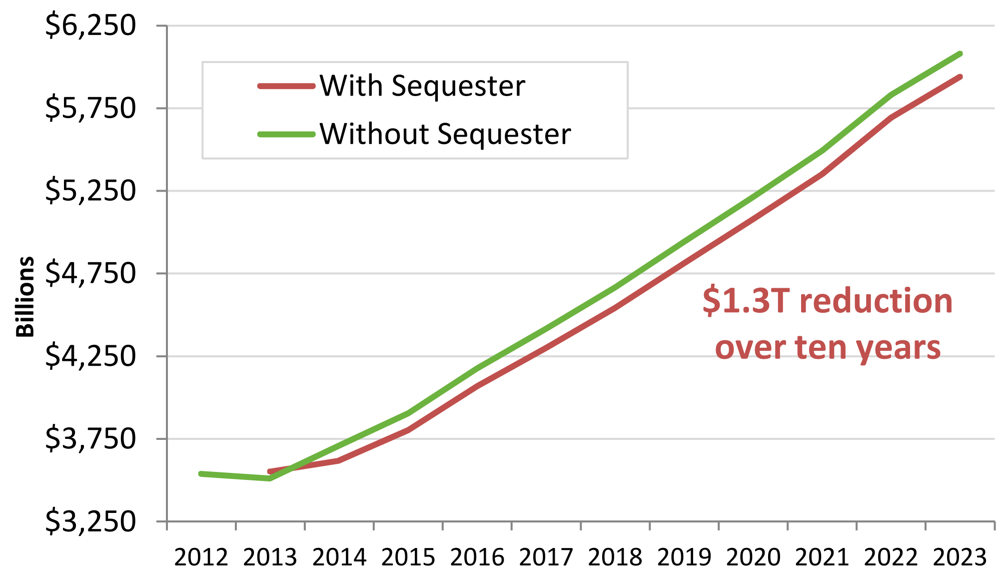
Impact of the Sequester

- Failure to produce legislation that would advert the impending sequestration of federal spending will negatively impact an already fragile economy.
- The longer term economic impact of reduced government spending is still uncertain.

Breakdown of FY 2013 Sequester
Total: $85.3 billion



Federal Spending and Sequestration
2013 vs. 2023

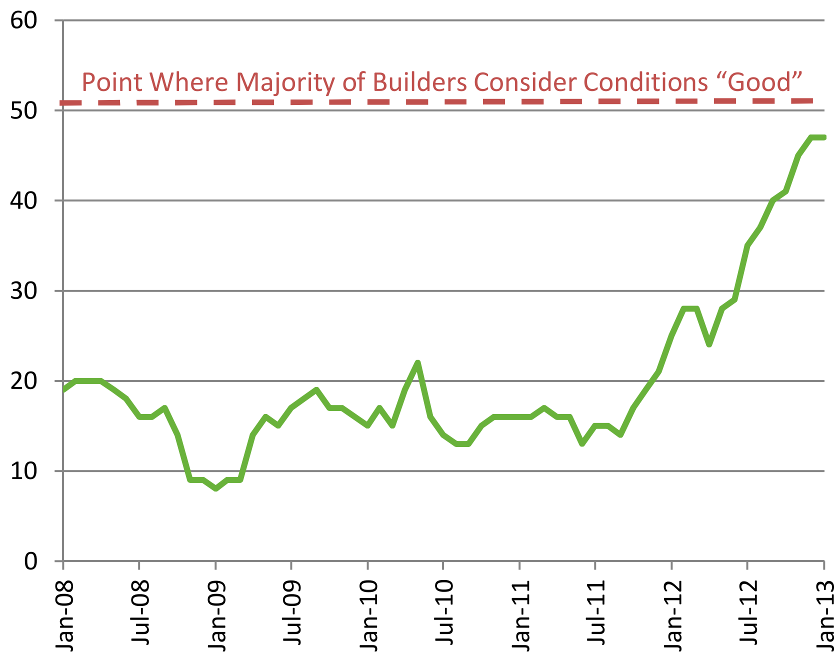


Source: Bipartisan Policy Center; George Mason University: Mercatus Center; Congressional Budget Office, Budget and Economic Outlook, February 2013. Aggregate reduction total includes estimated savings from debt service.

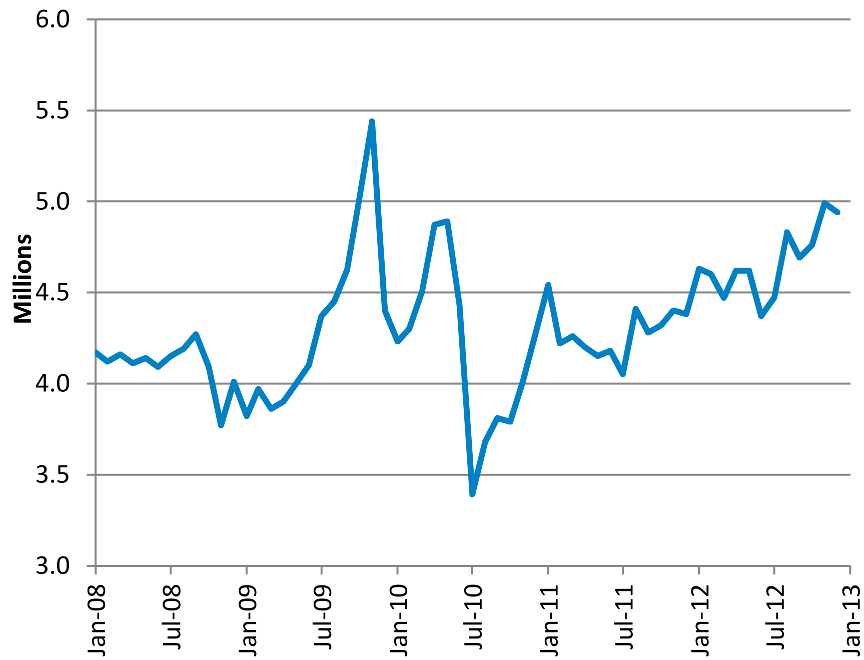
Housing Market Continues to Rebound

- The housing market continues to show signs of steady improvement; a positive indication of the direction of economic growth. Home Builder Confidence and Existing Home Sales continue to improve from their recession lows.

National Association of Home Builders Market Index

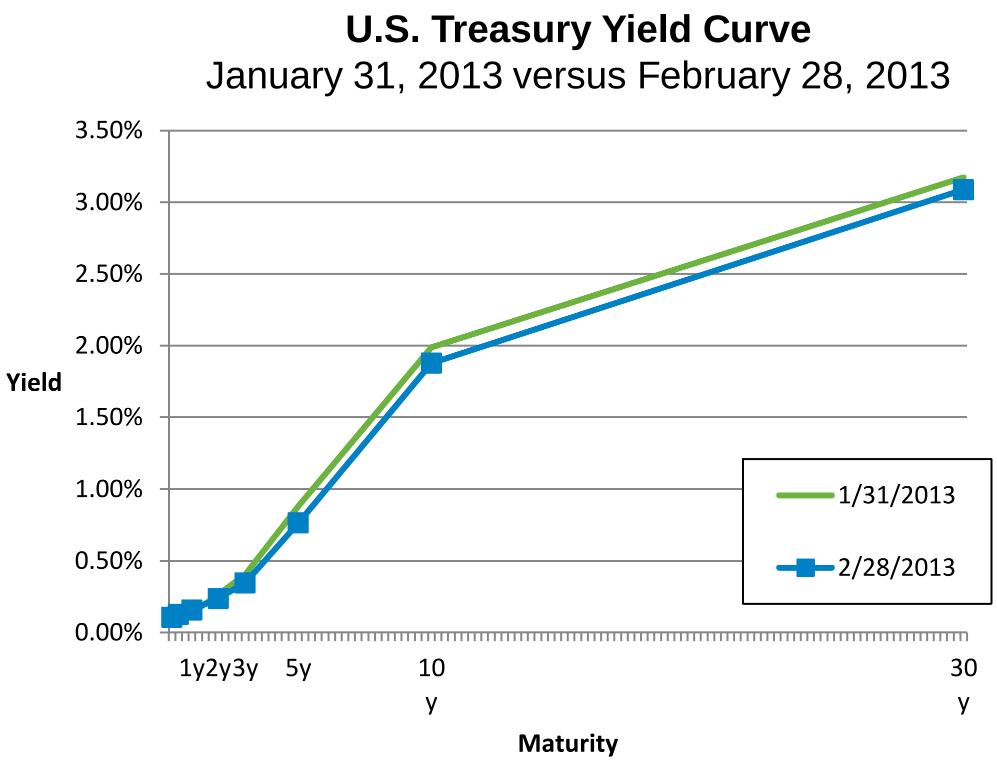


U.S. Existing Home Sales



Source: National Assoc. of Realtors, Bloomberg

Yield Curve Flattened in February



	1/31/2013	2/28/2013	Change
3 month	0.07%	0.10%	0.03%
6 month	0.11%	0.12%	0.01%
1 year	0.13%	0.16%	0.02%
2 year	0.26%	0.24%	-0.03%
3 year	0.40%	0.34%	-0.06%
5 year	0.88%	0.76%	-0.12%
10 year	1.99%	1.88%	-0.11%
30 year	3.17%	3.09%	-0.09%

Source: Bloomberg

Disclosure

This material is based on information obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC (PFMAM) cannot guarantee its accuracy, completeness or suitability.

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ATTACHMENT 2

Update of the Procurement and Financial System Improvements Project

Finance and Budget Committee

March 28, 2013

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Project Highlights

- A two year project to re-tool our procurement personnel and finance staff through implementation of new information technology that will expand the current financial system (Lawson) as well as integrate with our current work order system (Maximo) to re-engineer our inventory management. The focus is to achieve Best Practice Processes by maximizing usage of software tools.
  - Upgrades to the financial system were completed in the summer of 2011
  - The current system supports the next generation of Lawson tools and modules
  - The new warehouse will be re-tooled to improved inventory management practices and better support operating maintenance functions throughout the organization
  - A team effort between the departments of the Chief Financial Officer, Chief Engineer, Procurement, and Information Technology to meet key organizational goals

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System Enhancements

To achieve these goals, DC Water will revise its current practices in three ways:

- Purchase and install new technology tools
  - Purchase Lawson software
  - Develop and integrate Lawson tools with existing system as well as Maximo (for materials management improvements)

- Re-engineer procurement and budgeting processes
  - New tools will provide the opportunity to adopt best practices which will result in process improvements

- Examine existing organizational structure
  - New business processes and technology may provide opportunities to reduce redundancies and provide greater service to stakeholders

Samaha consulting is working on the completion of the materials management initiative while Kinsey and Kinsey resources engaged to complete development and implementation

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Budget

	Estimate
Materials Management Process Implementation	$1,185,000
Software	550,000
Finance/Procurement Business Process Implementation	1,250,000
Subtotal	2,985,000
Contingency	400,000
Total	$3,385,000

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Progress to Date

Finance

- Budget tool development well underway
  - Status
  - Initial training in progress
  - Testing underway
- Cash Ledger Implementation in process
  - Discovery In Process
  - Project Team Training In Process
- Accounts Payable Enhancements
  - Discovery In Process
  - Image now enhancements being reviewed
- Grants Management
  - Initial discovery revealed a need to re-design the project and activity accounting structure. Re-design necessary to adequately support procurement modules as well as best practice capital report requirements
  - Implementation schedule designed and in Process

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Progress to Date

Materials Management Testing and Go-Live Schedule

IT Team Tasks	18-Mar	25-Mar	1-Apr	8-Apr	15-Apr	22-Apr	29-Apr	6-May	13-May	20-May	27-May	3-Jun	10-Jun	17-Jun
Interface and Integration Testing														
Load System to Test														
System Testing - Monday through Friday														
Stress Testing														
User Acceptance Testing														
Remedy and Retest														
Migration to Production & End User Training														
Go-Live														

MM and Maintenace Operations Tasks	18-Mar	25-Mar	1-Apr	8-Apr	15-Apr	22-Apr	29-Apr	6-May	13-May	20-May	27-May	3-Jun	10-Jun	17-Jun
Data Cleansing - Item,Location, and Vendor Master														
IDIQ Request for Proposal														
Maintenace Store Room Conversion for Shop Stock														
Obsolete Item ID and Disposal														
User Training														
Go Live														

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Progress to Date

Procurement

- Discovery is Complete
- New process flows developed
- Recommendations in process for Electronic Approvals for Requisitions, Purchase Orders, and Invoices
- Demo of new Requisition Process (RQC) documented, and scripts being developed for testing
- Recommendations are being documented for future processes; bids, contracts, and purchase orders
- Developing End User Adoption plan to engage all DC Water Requesters

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Progress to Date

Other

- Dashboards and Crystal Reports
  - Lawson certified resource engaged
  - Procurement Dashboards in Process
  - PHP reports being converted to Crystal reports
- Lawson Security
  - Required upgrade In Process
    - Kinsey Security Migration Process Presented
    - License Approvals in Process

Conversion to new security to be complete by July 1, 2013

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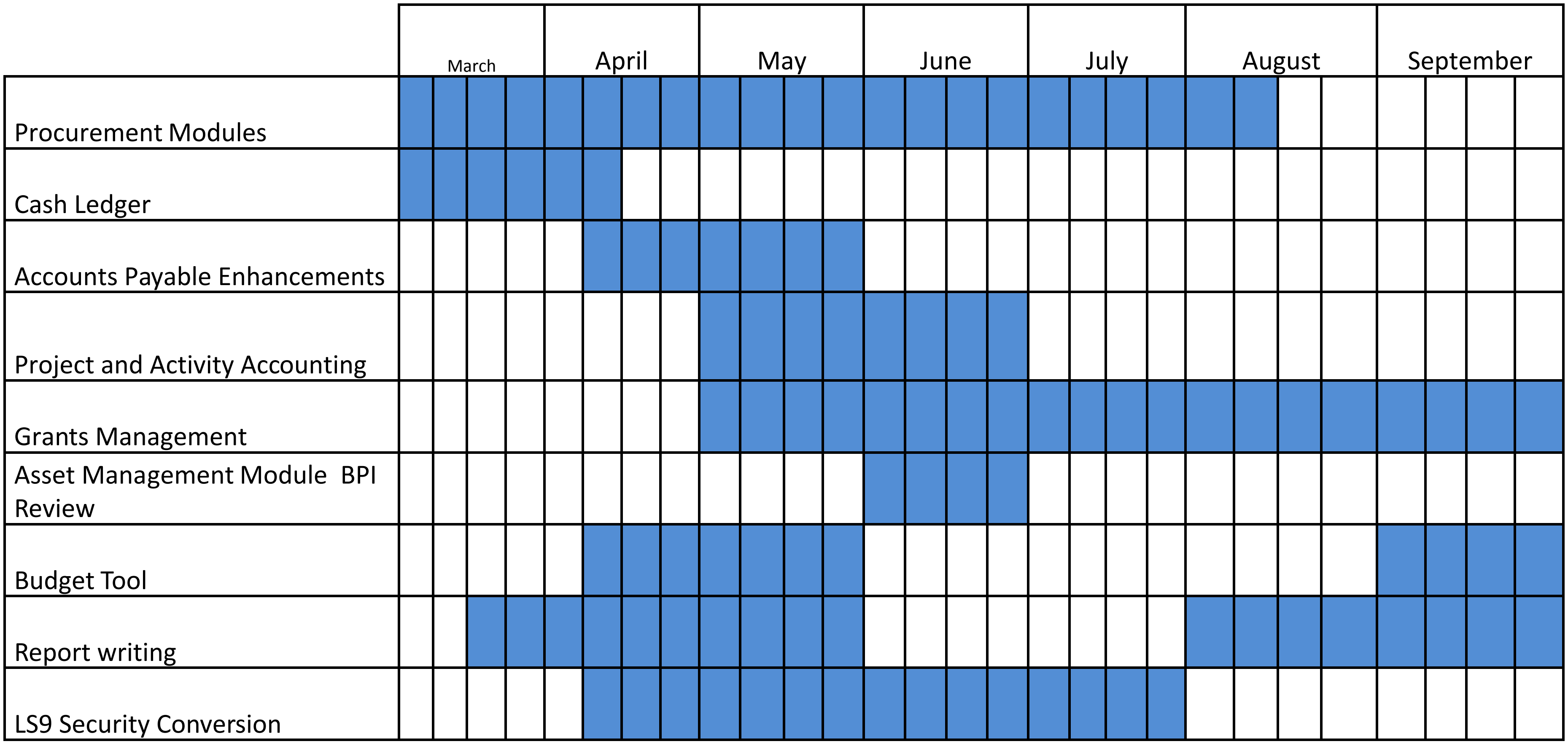
Schedule



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QUESTIONS?

ATTACHMENT 3

BANKING UNDERWRITER SELECTIONS

Presentation to the Finance & Budget Committee

Mark Kim, Chief Financial Officer

March 28, 2013

BANKING UNDERWRITER SELECTIONS - OVERVIEW

- November 29, 2012 – Request for Qualifications ("RFQ") issued
- December 31, 2012 – Responses to RFQ due
  - 33 total respondents:
    - 23 Senior Manager/8 Co-Manager
    - 2 non-responsive
    - 9 MWBE firms (27%)
- January-February 2013 – OCFO staff, financial advisors and consultant reviewed and ranked all responsive proposals
- March 18-21, 2013 – Interviews of top 14 responses for senior manager
- March 22, 2013 – Senior manager and co-manager pools selected

BANKING UNDERWRITER SELECTIONS – TEAM BLUE!

Senior Managers

Bank of America Merrill Lynch

Loop Capital*

Ramirez*

Barclays

Goldman Sachs

Co-Managers

Fidelity Capital Markets	Jefferies	Lebenthal*
Morgan Stanley	J.P.Morgan	Raymond James
Siebert Brandford Shank*	TD Securities	U.S. Bancorp
	Wells Fargo	

* MBE / WBE

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ATTACHMENT 4

Presented and Adopted: April 4, 2013
Subject: Approving the Substantially Final Form of Certain Documents, Authorizing the Extension of the Letters of Credit associated with the Commercial Paper Notes, Series A, Series B and Series C, and Authorizing the Decrease of the Authorized Maximum Aggregate Principal Amount of the Series A Notes to $75,000,000

#13-____
Resolution of the
Board of Directors
of the District of Columbia
Water and Sewer Authority

The Board of Directors (the "Board") of the District of Columbia Water and Sewer Authority (the "Authority"), at its meeting on April 4, 2013, upon consideration took the following action by a vote of ________(___) in favor and ________(___) opposed.

WHEREAS, pursuant to Resolution #10-60, adopted by the Board on May 6, 2010 (the "Original Resolution"), the Authority previously authorized and executed agreements to issue its Commercial Paper Notes, Series A (the "Series A Notes"), in an aggregate principal amount not to exceed $100,000,000 outstanding at any one time, its Commercial Paper Notes, Series B (the "Series B Notes"), in an aggregate principal amount not to exceed $50,000,000 outstanding at any one time, and its Commercial Paper Notes, Series C (the "Series C Notes" and, together with the Series A Notes and Series B Notes, the "Notes"), in an aggregate principal amount not to exceed $75,000,000 outstanding at any one time.

WHEREAS, the Series A Notes, the Series B Notes and the Series C Notes are secured by separate letters of credit (collectively, the "Letters of Credit") issued by U.S. Bank National Association ("U.S. Bank") securing the Series C Notes, and JPMorgan Chase Bank, National Association ("J.P. Morgan" and together with U.S. Bank, the "Banks") securing the Series A Notes and Series B Notes; and

WHEREAS, each of the Letters of Credit expire on May 31, 2013, and the Authority now desires to extend such expiration dates to May 29, 2015; and

WHEREAS, the Authority also desires to lower the authorized maximum aggregate principal amount of the Series A Notes from $100,000,000 to $75,000,000; and

WHEREAS, there have been presented at this meeting drafts of the substantially final forms of the following documents that the Authority proposes to execute to carry out the transactions described above, copies of which documents shall be filed with the records of the Authority:

(a) the First Amendment to the Eleventh Supplemental Indenture of Trust, dated as of April 5, 2013 (the "First Amendment to the Eleventh Supplemental Indenture"), between the Authority and the Trustee;

(b) the First Amendment to Reimbursement Agreement (the "First Amendment to J.P. Morgan Reimbursement Agreement") dated as of April 5, 2013, between the Authority and J.P. Morgan, pursuant to which the expiration date of two Letters of Credit will be extended and, as it relates to the Series A Notes, the coverage amount of the applicable Letter of Credit will be reduced from $100,000,000 to $75,000,000;

(c) the First Amendment to Reimbursement Agreement (the "First Amendment to U.S. Bank Reimbursement Agreement") dated as of April 5, 2013, between the Authority and U.S. Bank, pursuant to which the expiration date of one Letter of Credit will be extended;

(d) the form of the revised Bank Note related to the Series A Notes (the "Amended and Restated Bank Note") attached as an exhibit to the First Amendment to J.P. Morgan Reimbursement Agreement to indicate the reduction of the authorized maximum aggregate principal amount of the Series A Notes; and

(e) an Updated Offering Memorandum (the "Updated Offering Memorandum").

NOW, THEREFORE, BE IT RESOLVED,

1. That the Dealers are authorized to distribute the Updated Offering Memorandum to potential purchasers of the Notes;

2. That the maximum aggregate principal amount of the Series A Notes shall be reduced and from and after the effective date of this Resolution, shall not exceed $75,000,000 outstanding at any one time.

3. That the Chairman of the Board (the "Chairman") (provided that any official other than the Chairman shall be designated by the Chairman as his designee for the purpose of executing and delivering any document authorized hereunder), the General Manager, the Chief Financial Officer, and the Director of Budget and Finance and the Controller, are individually authorized to execute the First Amendment to the Eleventh Supplemental Indenture, the First Amendment to J.P. Morgan Reimbursement Agreement, First Amendment to U.S. Bank Reimbursement Agreement, and the Amended and Restated Bank Note, and the Secretary or Assistant Secretary is authorized and directed to affix the Seal of the Authority on such documents as required and to attest to the same;

4. That the General Manager and Chief Financial Officer are hereby individually authorized to approve any changes, modifications or updates of the Updated Offering Memorandum from time to time;

5. That the First Amendment to the Eleventh Supplemental Indenture, the First Amendment to J.P. Morgan Reimbursement Agreement, First Amendment to U.S. Bank Reimbursement Agreement, and the Revised Bank Note shall be in substantially the forms submitted to the Board at this meeting, which hereby are approved, with such completions, omissions, insertions and changes necessary to reflect the note principal amount and other terms of the Notes, and as otherwise may be approved by the persons executing them, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes;

6. That the General Manager, the Chief Financial Officer, the Director of Budget and Finance and the Controller, are individually authorized to execute, deliver and file, from time to time, all other certificates and instruments, and any agreements, and any amendment or modification to existing agreements, with the provider of any credit facility or liquidity facility for the Notes, including, without limitation, the Banks, and to take all such further actions, from time to time, as they may consider necessary or desirable in connection with the issuance, sale and distribution of the Notes;

7. This Resolution shall serve as an amendment and supplement to the Original Resolution; and

8. That this resolution is effective immediately.

____

Secretary to the Board of Directors

ATTACHMENT 4A

FIRST AMENDMENT TO ELEVENTH SUPPLEMENTAL INDENTURE OF TRUST

THIS FIRST AMENDMENT TO ELEVENTH SUPPLEMENTAL INDENTURE OF TRUST dated as of the 5th day of April, 2013, (the "**First Amendment to Eleventh Supplemental Indenture**"), by and between the District of Columbia Water and Sewer Authority (the "**Authority**"), an independent authority of the District of Columbia (the "**District**"), and Wells Fargo Bank, N.A., a national banking association, having a corporate trust office in Philadelphia, Pennsylvania, as trustee (in such capacity, together with any successor in such capacity, herein called the "**Trustee**"), amending the Eleventh Supplemental Indenture of Trust dated as of June 1, 2010 (the "**Eleventh Supplemental Indenture**"), by and between the Authority and the Trustee, provides:

WHEREAS, pursuant to the Eleventh Supplemental Indenture, the Authority is authorized to issue, and continue to issue, $100,000,000 aggregate principal amount of its Commercial Paper Notes, Series A (the "**Series A Notes**"), $50,000,000 aggregate principal amount of its Commercial Paper Notes, Series B (the "**Series B Notes**") and $75,000,000 aggregate principal amount of its Commercial Paper Notes, Series C (the "**Series C Notes**," and together with the Series A Notes and the Series B Notes, the "**Series A-B-C Notes**") pursuant to the terms of a certain Issuing and Paying Agency Agreement dated as of June 1, 2010, as amended, between the Authority and Deutsche Bank Trust Company Americas, as issuing and paying agent thereunder, to finance Costs of the System; and

WHEREAS, the Series A Notes are secured by an irrevocable direct pay letter of credit issued by JPMorgan Chase Bank, National Association ("**JPMorgan**"), and the Series B Notes are secured by separate irrevocable direct pay letter of credit issued by JPMorgan, pursuant to the terms of a certain Letter of Credit and Reimbursement Agreement dated as of June 1, 2010, between the Authority and JPMorgan, as amended by the First Amendment to Letter of Credit and Reimbursement Agreement, dated April 5, 2013; and

WHEREAS, the Series C Notes are secured by an irrevocable direct pay letter of credit issued by U.S. Bank National Association ("**U.S. Bank**" and, together with JPMorgan, the "**Banks**"), pursuant to the terms of a certain Reimbursement Agreement dated as of June 1, 2010 between the Authority and U.S. Bank, as amended by a First Amendment to Reimbursement Agreement, dated April 5, 2013; and

WHEREAS, the Authority desires, and the Banks have agreed, to extend the expiration date of each of the direct pay letters of credit from May 31, 2013 to May 29, 2015; and

WHEREAS, the Authority desires, and JPMorgan has agreed, to reduce the maximum aggregate principal amount of the Series A Notes from $100,000,000 to $75,000,000;

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I
FIRST AMENDMENT TO ELEVENTH SUPPLEMENTAL INDENTURE

Section 101. Authorization of Amendment.

This First Amendment to Eleventh Supplemental Indenture is authorized and executed by the Authority and delivered to the Trustee pursuant to and in accordance with Articles III and X of the Master Indenture of Trust. All defined terms used herein and not defined herein shall have the meaning assigned to such defined terms in the Eleventh Supplemental Indenture.

Section 102. Amendment.

The Eleventh Supplemental Indenture shall be amended such that the term "Series A Notes" is replaced as follows:

"**Series A Notes**" shall mean the Authority's $75,000,000 Commercial Paper Notes, Series A dated their date of issuance.

ARTICLE II
MISCELLANEOUS

Section 201. Severability.

If any provision of this First Amendment to Eleventh Supplemental Indenture shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof and this First Amendment to Eleventh Supplemental Indenture shall be construed and enforced as if such illegal provision had not been contained herein.

Section 202. Successors and Assigns.

This First Amendment to Eleventh Supplemental Indenture shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Section 203. Applicable Law.

This First Amendment to Eleventh Supplemental Indenture shall be governed by the applicable laws of the District of Columbia.

Section 204. Counterparts.

This First Amendment to Eleventh Supplemental Indenture may be executed in several counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

Series 205. Effect of Amendment.

Except as specifically amended herein, the Eleventh Supplemental Indenture shall continue in full force and effect in accordance with its terms. Reference to this First Amendment to Eleventh Supplemental Indenture need not be made in any note, document, agreement, letter, certificate, the Eleventh Supplemental Indenture or any communication issued or made subsequent to or with respect to the Eleventh Supplemental Indenture, it being hereby agreed that any reference to the Eleventh Supplemental Indenture shall be sufficient to refer to the Eleventh Supplemental Indenture, as hereby amended.

IN WITNESS WHEREOF, the Authority and the Trustee have caused this First Amendment to Eleventh Supplemental Indenture to be executed in their respective corporate names as of the date first above written.

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

By____________________________________

Chairman

WELLS FARGO BANK, N.A., AS TRUSTEE

By____________________________________

Its ____________________________________

ATTACHMENT 4B

FIRST AMENDMENT TO LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT

This First Amendment to Letter of Credit and Reimbursement Agreement (this *"Amendment"*) dated April 5, 2013 (the *"Effective Date"*), is between District of Columbia Water and Sewer Authority (the *"Authority"*), and JPMorgan Chase Bank, National Association, as the issuer of the hereinafter defined Letter of Credit (in such capacity, together with its successors and assigns, the *"Bank"*). All terms used herein and not defined herein shall have the meanings assigned to such terms in the hereinafter defined Agreement.

WITNESSETH

WHEREAS, the Authority and the Bank have previously entered into that certain Letter of Credit and Reimbursement Agreement dated as of June 1, 2010 (the *"Agreement"*), pursuant to which the Bank issued (i) that certain Irrevocable Letter of Credit No. CTCS-833532 dated June 2, 2010 (the "*Series A Letter of Credit*"), supporting the Authority's Commercial Paper Notes, Series A (the *"Series A Notes*"), and (ii) that certain Irrevocable Letter of Credit No. CTCS-833533 dated June 2, 2010 (the "*Series B Letter of Credit*" and together with the Series A Letter of Credit, collectively, the *"Letters of Credit"*), supporting the Authority's Commercial Paper Notes, Series B (the *"Series B Notes*" and together with the Series A Notes, collectively, the *"Notes"*);

WHEREAS, the parties hereto wish to extend the Letter of Credit Expiration Date and amend the Agreement as set forth herein;

NOW THEREFORE, in consideration of the premises, the parties hereto hereby agree as follows:

1. AMENDMENTS.

Upon satisfaction of the conditions precedent set forth in Section 2 hereof, the Agreement shall be amended as follows:

1.01. The Stated Amount of the Series A Letter of Credit is hereby reduced from $108,876,713 to $81,657,535 pursuant to the terms of the Certificate Re: Reduction in Stated Amount substantially in the form of Exhibit A hereto.

1.02. Section 1.1 of the Agreement is hereby amended by the addition of the new defined terms *"Change in Law,"* and *"Dodd-Frank Act,"* to be inserted in their appropriate place in the alphabetical sequence and to read as follows:

> *"Change in Law"* - has the meaning set forth in Section 7.1(a) hereof.
>
> "*Dodd-Frank Act"* - means the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as enacted by the

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United States Congress, and signed into law on July 21, 2010, and all statutes, rules, guidelines or directives promulgated thereunder.

1.03. Section 7.1(a) of the Agreement is hereby amended in its entirety and as so amended shall be restated to read as follows:

Section 7.1. Increased Costs. (a) If the Bank shall have determined that the adoption or implementation of, or any change in, any law, rule, treaty or regulation, or any policy, guideline or directive of, or any change in the interpretation or administration thereof by any court, central bank or other administrative or Governmental Authority (in each case, whether or not having the force of law), or compliance by the Bank with any request or directive of any such court, central bank or other administrative or Governmental Authority (whether or not having the force of law) (each, a *"Change in Law"*), shall (A) change the basis of taxation of payments to the Bank of any amounts payable hereunder or under the Bank Notes or the Fee Letter (except for taxes on the overall net income of the Bank), (B) impose, modify or deem applicable any reserve, special deposit or similar requirement against making or maintaining its obligations under this Agreement, the Letters of Credit or assets held by, or on deposit with or for the account of, the Bank or (C) impose on the Bank any other condition regarding this Agreement or the Letters of Credit, and the result of any event referred to in clause (A), (B) or (C) above shall be to increase the cost to the Bank of making or maintaining its obligations hereunder or maintaining the Letters of Credit, or to reduce the amount of any sum received or receivable by the Bank hereunder or under the Bank Notes or the Fee Letter, then the Authority shall pay to the Bank, at such time and in such amount as is set forth in paragraph (c) of this Section 7.1, such additional amount or amounts as will compensate the Bank for such increased costs or reductions in amount.

1.04. Section 7.1(b) of the Agreement is hereby amended in its entirety and as so amended shall be restated to read as follows:

(b) If the Bank shall have determined that any Change in Law shall impose, modify or deem applicable any capital adequacy or similar requirement (including, without limitation, a request or requirement that affects the manner in which the Bank or any corporation controlling the Bank allocates capital resources to its commitments, including its obligations under lines of credit) that either (A) affects or would affect the amount of capital to be maintained by the Bank or any corporation controlling the Bank or (B) reduces or would reduce the rate of return on the Bank's or the

Bank's controlling corporation's capital to a level below that which the Bank or the Bank's controlling corporation could have achieved but for such circumstances (taking into consideration the Bank's or the Bank's controlling corporation's policies with respect to capital adequacy) then, the Authority shall pay to the Bank, at such time and in such amount as is set forth in paragraph (c) of this Section 7.1, such additional amount or amounts as will compensate the Bank or the Bank's controlling corporation for such cost of maintaining such increased capital or the reduction in the rate of return on the Bank's or the Bank's controlling corporation's capital.

1.05. Section 7.1 of the Agreement is hereby further amended by adding a new clause (e) thereto to appear in the appropriate alphabetical order and to read as follows:

(e) Notwithstanding the foregoing, for purposes of this Agreement (x) all requests, rules, guidelines or directives in connection with the Dodd-Frank Act shall be deemed to be a Change in Law, regardless of the date enacted, adopted or issued, and (y) all requests, rules, guidelines or directives promulgated as a result of the International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) shall be deemed a Change in Law regardless of the date enacted, adopted or issued.

1.06. The Bank's notice information set forth in Section 7.14 of the Agreement is hereby amended in its entirety and as so amended shall be restated to read as follows:

If to the Bank, to: For purposes of compliance items:

JPMorgan Chase Bank, National
Association
Email: david.i.weinstein@jpmorgan.com;
public.finance.notices@jpmorgan.com

For all other purposes/notices:

JPMorgan Chase Bank, National
Association
383 Madison Avenue, 8th Floor
Mail Code: NY1-M076
New York, NY 10179
Email: david.i.weinstein@jpmorgan.com
Tel: (212) 270-4948
Fax: (917) 463-0196

For draw requests under Letters of Credit or
related matters:

JPMorgan Chase Bank, National
Association
131 South Dearborn, 5th Floor
Mail Code: IL1-0236
Chicago, IL 60603-5506
Attn: Standby Services Unit
Tel: (800) 634-1969, Option 1
Fax: (312) 954-6163

2. CONDITIONS PRECEDENT.

This Amendment shall be deemed effective on the Effective Date subject to the satisfaction of or waiver by the Bank of all of the following conditions precedent:

2.01. Delivery by the Authority of (i) an executed counterpart of this Amendment and (ii) the hereinafter defined New Note.

2.02. Delivery by the Authority of an executed counterpart of that certain Amended and Restated Fee Letter dated the date hereof between the Authority and the Bank.

2.03. The following statements shall be true and correct as of the date hereof:

(a) the representations and warranties of the Authority contained in Article Four of the Agreement and in each of the Related Documents are true and correct on and as of the date hereof as though made on and as of such date (except to the extent the same expressly relate to an earlier date and except that the representations contained in Section 4.1(h) of the Agreement shall be deemed to refer to the most recent financial statements of the Authority delivered to the Bank pursuant to Section 5.4(a) of the Agreement); and

(b) no Potential Default or Event of Default has occurred and is continuing or would result from the execution of this Amendment.

2.04. Payment to the Bank on the Effective Date of reasonable legal fees and expenses of counsel to the Bank.

2.05. All other legal matters pertaining to the execution and delivery of this Amendment shall be satisfactory to the Bank and its counsel.

3. REQUEST FOR EXTENSION OF LETTER OF CREDIT EXPIRATION DATE.

The Authority hereby requests that the Bank extend the Letter of Credit Expiration Date to May 29, 2015, and the Bank agrees to such request and will deliver to the Issuing and Paying Agent a Notice of Extension of Letter of Credit Expiration Date substantially in the form attached hereto as Exhibit B to effectuate such extension.

4. NEW SERIES A NOTE.

In replacement for that certain Series A Note payable to the order of JPMorgan Chase Bank, National Association dated as of June 2, 2010 in the principal amount of $108,876,713 (the *"Previous Note"*), the Commission shall execute and deliver to the Bank a New Note in substantially the same form as Exhibit C hereto in the amount of $81,657,535, dated as of the date of its issuance which shall substitute for the Bank's Previous Note and shall evidence the obligations owing under the Agreement. All references in the Agreement to the Series A Note shall be deemed references to the New Note.

5. MISCELLANEOUS.

Except as specifically amended herein, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this Amendment need not be made in any note, document, agreement, letter, certificate, the Agreement or any communication issued or made subsequent to or with respect to the Agreement, it being hereby agreed that any reference to the Agreement shall be sufficient to refer to the Agreement, as hereby amended. In case any one or more of the provisions contained herein should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired hereby. All capitalized terms used herein without definition shall have the same meanings herein as they have in the Agreement. THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PRINCIPLES; *PROVIDED, HOWEVER,* THAT THE OBLIGATIONS OF THE AUTHORITY HEREUNDER SHALL BE GOVERNED BY THE LAWS OF THE DISTRICT OF COLUMBIA.

This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective officers hereunto duly authorized as of the Effective Date.

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

By:______________________________
Name: ____________________________
Title: ____________________________

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION

By:______________________________
Name: David Weinstein
Title: Executive Director

[Signature Page to First Amendment to Reimbursement Agreement]

EXHIBIT A

ANNEX F
TO
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION
LETTER OF CREDIT NO CTCS-833532

CERTIFICATE RE: REDUCTION IN STATED AMOUNT
IRREVOCABLE LETTER OF CREDIT NO. CTCS-833532

Deutsche Bank Trust Company Americas
60 Wall Street, 27th Floor
New York, New York 10005
Attention: Safet Kalaba

The undersigned, duly authorized signatory of JPMorgan Chase Bank, National Association (the *"Bank"*), hereby certifies to Deutsche Bank Trust Company Americas (the *"Issuing and Paying Agent"*), relating to the District of Columbia Water and Sewer Authority's Commercial Paper Notes, Series A (the *"Notes"*) with reference to Irrevocable Letter of Credit No. CTCS-833532 (the *"Letter of Credit,"* the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Issuing and Paying Agent, that the Stated Amount of the Letter of Credit shall be decreased in the amount of $27,219,178, effective as of April 5, 2013 (the *"Decrease Date"*). The new Stated Amount of the Letter of Credit is $81,657,535, of which $75,000,000 is applicable to principal and $6,657,535 is applicable to interest, which amounts are not less than the outstanding principal amount of Notes on such Decrease Date plus interest thereon at the maximum rate of twelve percent (12%) per annum for a period of up to two hundred seventy (270) days, calculated on the basis of a year of 365 days, respectively, on the Decrease Date. You are hereby authorized to attach this Notice of Decrease in Stated Amount to the Letter of Credit and to treat this Notice of Decrease in Stated Amount as an amendment to the Letter of Credit.

ANNEX F
TO
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION.
LETTER OF CREDIT
NO. CTCS-833532
(CONTINUED)

IN WITNESS WHEREOF, the undersigned have executed and delivered this Certificate as of the 5th day of April, 2013.

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION,
as the Bank

By: ______________________________
Name: ____________________________
Title: _____________________________

Acknowledged as of this 5th day
of April, 2013, by

DEUTSCHE BANK TRUST COMPANY AMERICAS,
as Issuing and Paying Agent

By:______________________________
Name:____________________________
Title:_____________________________

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EXHIBIT B

ANNEX G
TO
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION
LETTER OF CREDIT NO. [CTCS-833532][CTCS-833533]

NOTICE OF EXTENSION OF LETTER OF CREDIT EXPIRATION DATE
IRREVOCABLE LETTER OF CREDIT NO. [CTCS-833532][CTCS-833533]

Deutsche Bank Trust Company Americas
60 Wall Street, 27th Floor
New York, New York 10005
Attention: Safet Kalaba

The undersigned, duly authorized signatory of JPMorgan Chase Bank, National Association (the *"Bank"*), hereby certify to Deutsche Bank Trust Company Americas (the *"Issuing and Paying Agent"*), relating to the District of Columbia Water and Sewer Authority's Commercial Paper Notes, Series [A][B] (the *"Notes"*), with reference to Irrevocable Letter of Credit No. [CTCS-833532][CTCS-833533] (the *"Letter of Credit,"* the terms defined therein and not otherwise defined herein being used herein as therein defined) issued by the Bank in favor of the Issuing and Paying Agent, as follows:

1. We hereby notify you that, in accordance with the terms of the Reimbursement Agreement, the Letter of Credit Expiration Date of the Letter of Credit has been extended to May 29, 2015.

2. This letter should be attached to the Letter of Credit and made a part thereof.

IN WITNESS WHEREOF, the undersigned have executed and delivered this Notice as of the 5th day of April, 2013.

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, as the Bank

By:______________________________
Name: __________________________
Title: ___________________________

EXHIBIT C

SERIES A NOTE

Dated: April 5, 2013 $81,657,535

For value received, the DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY (the *"Authority")* hereby promises to pay to the order of JPMorgan Chase Bank, National Association (the *"Bank"*), the sum of EIGHTY ONE MILLION SIX HUNDRED FIFTY-SEVEN THOUSAND FIVE HUNDRED THIRTY-FIVE DOLLARS ($81,657,535) or, if less, the aggregate unpaid principal amount of the Advances made by the Bank on the date of this Bank Note, on the dates and in the manner provided for in the Letter of Credit and Reimbursement Agreement, dated as of June 1, 2010 (together with any amendments or supplements thereto, the *("Reimbursement Agreement"),* by and between the Authority and the Bank. All capitalized terms used herein and not otherwise defined herein shall have the meanings specified in the Reimbursement Agreement.

The Authority promises to pay interest on the unpaid principal amount of the Advances evidenced by this Bank Note on the dates and at the rates provided for in the Reimbursement Agreement. All payments of principal and interest shall be made to the Bank in lawful money of the United States of America in immediately available funds.

This note is the Bank Note referred to in the Reimbursement Agreement and is entitled to the benefits thereof and of the Related Documents referred to therein. As provided in the Reimbursement Agreement, this Bank Note is subject to prepayment, in whole or in part. In case an Event of Default shall occur and be continuing, the principal of and accrued interest on this Bank Note may be declared due and payable in the manner and with the effect provided in the Reimbursement Agreement.

The Bank agrees that before disposing of this Bank Note it will make a notation on the schedule attached hereto of all principal payments and prepayments made hereunder and of the date to which interest hereon has been paid; *provided, however,* that the failure to make any such notation shall not limit or otherwise affect the obligation of the Authority hereunder with respect to payments of principal of and interest on this Bank Note.

This Bank Note is the limited obligation of the Authority and is payable, both as to principal and interest, solely from the Pledged Funds and a subordinate lien on the Trust Estate, including Net Revenues on deposit in the Subordinate Bond Fund, income derived from any investment of the foregoing and other moneys that may have been pledged therefor, and the Authority is not obligated to pay this Bank Note except from Pledged Funds, a subordinate lien on the Trust Estate, including Net Revenues on deposit in the Subordinate Bond Fund, income derived from any investment of the foregoing and any other moneys legally available therefor. Neither the District of Columbia nor any of its political subdivisions (except the Authority to the extent of the pledge of the Pledged Funds, the Trust Estate, including Net Revenues on deposit in the Subordinate Bond Fund, income derived from any investment of the foregoing and other moneys that may have been pledged therefor), is liable on this Bank Note, nor in any event shall this Bank Note be payable out of any funds other than those of the Authority as and to the extent provided in the Indenture and the Issuing and Paying Agency Agreement.

No recourse shall be had for the payment of the principal and interest due on this Bank Note or for any claim based thereon or upon any obligation, covenant or agreement in this Bank Note or in the Reimbursement Agreement contained, against the Authority (except as otherwise provided in the immediately preceding paragraph and the sources described in Section 2.13 of the Reimbursement Agreement), any past, present or future member of its governing body, its officers, attorneys, accountants, financial advisors, agents or staff, or the officers, attorneys, accountants, financial advisors, agents or staff of any successor public entity, as such, either directly or through the Authority or any successor public entity, under any rule of law or penalty or otherwise, and all such liability of the Authority (except as otherwise provided in the immediately preceding paragraph and the sources described in Section 2.13 of the Reimbursement Agreement), any member of its governing body and its officers, attorneys, accountants, financial advisors, agents and staff is, by the acceptance of this Bank Note, expressly waived and released as a condition of, and in consideration for, the execution of this Bank Note and the Reimbursement Agreement.

This Bank Note is issued in substitution and replacement for, and evidences indebtedness previously evidenced by that certain Series A Note of the Authority dated June 2, 2010 payable to the order of the Bank in the principal amount of $108,876,713.

THE OBLIGATIONS OF THE AUTHORITY UNDER THIS BANK NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE DISTRICT OF COLUMBIA.

DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY

By:______________________________
Name: __________________________
Title: ___________________________

[SEAL]

By:______________________________
Secretary

TRANSACTIONS ON BANK NOTE

DATE	AMOUNT OF LOAN MADE	AMOUNT OF PRINCIPAL PAID	DATE TO WHICH INTEREST PAID	NOTATION MADE BY

ATTACHMENT 4C

FIRST AMENDMENT TO REIMBURSEMENT AGREEMENT

This First Amendment to Reimbursement Agreement (this *"Amendment"*) dated April 5, 2013 (the *"Effective Date"*), is between District of Columbia Water and Sewer Authority (the *"Authority"*), and U.S. Bank National Association, as the issuer of the hereinafter defined Letter of Credit (in such capacity, together with its successors and assigns, the *"Bank"*). All terms used herein and not defined herein shall have the meanings assigned to such terms in the hereinafter defined Agreement.

WITNESSETH

WHEREAS, the Authority and the Bank have previously entered into that certain Reimbursement Agreement dated as of June 1, 2010 (the *"Agreement"*), pursuant to which the Bank issued that certain Irrevocable Direct Pay Letter of Credit No. SLCPPDX05056 dated June 2, 2010 (the "*Letter of Credit*"), supporting the Authority's Commercial Paper Notes, Series C (the *"Notes*");

WHEREAS, the parties hereto wish to extend the Letter of Credit Expiration Date and amend the Agreement as set forth herein;

NOW THEREFORE, in consideration of the premises, the parties hereto hereby agree as follows:

1. AMENDMENTS.

Upon satisfaction of the conditions precedent set forth in Section 2 hereof, the Agreement shall be amended as follows:

1.01. Section 1.1 of the Agreement is hereby amended by the addition of the new defined terms *"Change in Law,"* and *"Dodd-Frank Act,"* to be inserted in their appropriate place in the alphabetical sequence and to read as follows:

> *"Change in Law"* - has the meaning set forth in Section 7.1(a) hereof.
>
> "*Dodd-Frank Act"* - means the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as enacted by the United States Congress, and signed into law on July 21, 2010, and all statutes, rules, guidelines or directives promulgated thereunder.

1.02. Section 7.1(a) of the Agreement is hereby amended in its entirety and as so amended shall be restated to read as follows:

> *Section 7.1. Increased Costs.* (a) If the Bank shall have determined that the adoption or implementation of, or any change

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in, any law, rule, treaty or regulation, or any policy, guideline or directive of, or any change in the interpretation or administration thereof by any court, central bank or other administrative or Governmental Authority (in each case, whether or not having the force of law), or compliance by the Bank with any request or directive of any such court, central bank or other administrative or Governmental Authority (whether or not having the force of law) (each, a *"Change in Law"*), shall (A) change the basis of taxation of payments to the Bank of any amounts payable hereunder or under the Bank Notes or the Fee Letter (except for taxes on the overall net income of the Bank), (B) impose, modify or deem applicable any reserve, special deposit or similar requirement against making or maintaining its obligations under this Agreement, the Letters of Credit or assets held by, or on deposit with or for the account of, the Bank or (C) impose on the Bank any other condition regarding this Agreement or the Letters of Credit, and the result of any event referred to in clause (A), (B) or (C) above shall be to increase the cost to the Bank of making or maintaining its obligations hereunder or maintaining the Letters of Credit, or to reduce the amount of any sum received or receivable by the Bank hereunder or under the Bank Notes or the Fee Letter, then the Authority shall pay to the Bank, at such time and in such amount as is set forth in paragraph (c) of this Section 7.1, such additional amount or amounts as will compensate the Bank for such increased costs or reductions in amount.

1.03. Section 7.1(b) of the Agreement is hereby amended in its entirety and as so amended shall be restated to read as follows:

(b) If the Bank shall have determined that any Change in Law shall impose, modify or deem applicable any capital adequacy or similar requirement (including, without limitation, a request or requirement that affects the manner in which the Bank or any corporation controlling the Bank allocates capital resources to its commitments, including its obligations under lines of credit) that either (A) affects or would affect the amount of capital to be maintained by the Bank or any corporation controlling the Bank or (B) reduces or would reduce the rate of return on the Bank's or the Bank's controlling corporation's capital to a level below that which the Bank or the Bank's controlling corporation could have achieved but for such circumstances (taking into consideration the Bank's or the Bank's controlling corporation's policies with respect to capital adequacy) then, the Authority shall pay to the Bank, at such time and in such amount as is set forth in paragraph (c) of this Section 7.1, such additional amount or amounts as will compensate the Bank or the Bank's controlling corporation for such cost of maintaining such increased capital or the reduction in the rate of return on the Bank's or the Bank's controlling corporation's capital.

1.04. Section 7.1 of the Agreement is hereby further amended by adding a new clause (e) thereto to appear in the appropriate alphabetical order and to read as follows:

(e) Notwithstanding the foregoing, for purposes of this Agreement (x) all requests, rules, guidelines or directives in connection with the Dodd-Frank Act shall be deemed to be a Change in Law, regardless of the date enacted, adopted or issued, and (y) all requests, rules, guidelines or directives promulgated as a result of the International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) shall be deemed a Change in Law regardless of the date enacted, adopted or issued.

1.05. The Bank's notice information set forth in Section 7.14 of the Agreement is hereby amended in its entirety and as so amended shall be restated to read as follows:

If to the Bank, to:

U.S. Bank National Association
111 SW Fifth Ave., Suite 500
Portland, Oregon 97204
Attention: Nancy Tousignant
E-Mail: nancy.tousignant@usbank.com
Telephone: (503) 275-7951
Telecopier: (503) 275-5132
(the foregoing being the Bank's *"Payment Office"*)

With a copy (except for drawings on the Letter of Credit) to:

U.S. Bank National Association
461 Fifth Avenue, 15th Floor
New York, New York 10017-6234
Attention: Jeffrey C. Heckman, Vice President
Mailcode: EX-NY-FA7
Telephone: (646) 935-4524
Telecopier: (646) 935-4533
E-Mail: jeffrey.heckman@usbank.com

2. CONDITIONS PRECEDENT.

This Amendment shall be deemed effective on the Effective Date subject to the satisfaction of or waiver by the Bank of all of the following conditions precedent:

2.01. Delivery by the Authority of an executed counterpart of this Amendment.

2.02. Delivery by the Authority of an executed counterpart of that certain Amended and Restated Fee Letter dated the date hereof between the Authority and the Bank.

2.03. The following statements shall be true and correct as of the date hereof:

(a) the representations and warranties of the Authority contained in Article Four of the Agreement and in each of the Related Documents are true and correct on and as of the date hereof as though made on and as of such date (except to the extent the same expressly relate to an earlier date and except that the representations contained in Section 4.1(h) of the Agreement shall be deemed to refer to the most recent financial statements of the Authority delivered to the Bank pursuant to Section 5.4(a) of the Agreement); and

(b) no Potential Default or Event of Default has occurred and is continuing or would result from the execution of this Amendment.

2.04. Payment to the Bank on the Effective Date of reasonable legal fees and expenses of counsel to the Bank.

2.05. All other legal matters pertaining to the execution and delivery of this Amendment shall be satisfactory to the Bank and its counsel.

3. REQUEST FOR EXTENSION OF LETTER OF CREDIT EXPIRATION DATE.

The Authority hereby requests that the Bank extend the Letter of Credit Expiration Date to May 29, 2015, and the Bank agrees to such request and will deliver to the Issuing and Paying Agent a First Amendment to Irrevocable Direct Pay Letter of Credit No. SLCPPDX05056 substantially in the form attached hereto as Exhibit A to effectuate such extension.

4. MISCELLANEOUS.

Except as specifically amended herein, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this Amendment need not be made in any note, document, agreement, letter, certificate, the Agreement or any communication issued or made subsequent to or with respect to the Agreement, it being hereby agreed that any reference to the Agreement shall be sufficient to refer to the Agreement, as hereby amended. In case any one or more of the provisions contained herein should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired hereby. All capitalized terms used herein without definition shall have the same meanings herein as they have in the Agreement. THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PRINCIPLES; *PROVIDED, HOWEVER,* THAT THE OBLIGATIONS OF THE AUTHORITY HEREUNDER SHALL BE GOVERNED BY THE LAWS OF THE DISTRICT OF COLUMBIA.

This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective officers hereunto duly authorized as of the Effective Date.

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

By:________________________________
Name: ____________________________
Title: _____________________________

U.S. BANK NATIONAL ASSOCIATION

By:________________________________
Name: ____________________________
Title: _____________________________

[Signature Page to First Amendment to Reimbursement Agreement]

EXHIBIT A

U.S. BANK NATIONAL ASSOCIATION
INTERNATIONAL BANKING GROUP
111 S.W. FIFTH AVE., SUITE 500
PORTLAND, OREGON U.S.A. 97204
SWIFT: USBKUS44PDX FAX: (503)275-5132

APRIL 5, 2013

AMENDMENT TO IRREVOCABLE STANDBY LETTER OF CREDIT

BENEFICIARY:
DEUTSCHE BANK TRUST COMPANY AMERICAS
60 WALL STREET, 27^{TH} FLOOR
NEW YORK, NEW YORK 10005

APPLICANT:
DISTRICT OF COLUMBIA WATER
AND SEWER AUTHORITY
5000 OVERLOOK AVENUE, S.W.
WASHINGTON, DC 20032

LETTER OF CREDIT NUMBER SLCPPDX05056 AMENDMENT NO. 01

WE HEREBY AMEND IRREVOCABLE STANDBY LETTER OF CREDIT AS FOLLOWS:

+ THE EXPIRY DATE IS EXTENDED TO MAY 29, 2015.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED

U.S. BANK NATIONAL ASSOCIATION
A MEMBER OF THE FEDERAL RESERVE SYSTEM

STANDBY LETTERS OF CREDIT

ATTACHMENT 4D

AMENDED AND RESTATED FEE LETTER
DATED AS OF APRIL 5, 2013

Reference is made to (i) the Letter of Credit and Reimbursement Agreement, dated as of June 1, 2010 (as amended, restated, supplemented or otherwise modified from time to time, the *"Agreement"*), between the District of Columbia Water and Sewer Authority (the *"Authority"*) and JPMorgan Chase Bank, National Association (the *"Bank"*) and (ii) the Fee Letter dated as of June 1, 2010 (the *"Original Fee Letter"*), by and between the Authority and the Bank. Any capitalized term below that is defined in the Agreement shall have the same meaning when used herein. This Amended and Restated Fee Letter is the Fee Letter described in the Agreement.

The Authority has requested that the Bank make certain modifications to the Original Fee Letter, and, for the sake of clarity and convenience, the Bank and the Authority wish to amend and restate the Original Fee Letter in its entirety, and this Amended and Restated Fee Letter shall amend and restate the Original Fee Letter in its entirety. The purpose of this Amended and Restated Fee Letter is to confirm the agreement between the Bank and the Authority with respect to the Facility Fee (as defined below) and certain other fees payable by the Authority to the Bank. This Amended and Restated Fee Letter is the Fee Letter referenced in the Agreement, and the terms hereof are incorporated by reference into the Agreement.

In consideration for the Bank's agreement to enter into the Agreement and to make Advances, the Authority agrees to make the following payments at the following times:

(1) A facility fee (the *"Facility Fee"*) for each day on the Aggregate Stated Amount as of the close of business of the Bank on such day, at the Facility Fee Rate (as defined below), payable quarterly in arrears on the first Business Day of each September, December, March and June (commencing on June 1, 2013, for the period from and including March 1, 2013 to and including May 31, 2013) until the Termination Date and on the Termination Date. As used herein, *"Facility Fee Rate"* means the rate per annum set forth in the grid below opposite the Ratings in Level 1; *provided, however,* if any Rating Agency downgrades its Rating on the Authority's Senior Debt to a level less than Level 1, the applicable "Facility Fee Rate" shall be the rate per annum set forth in the grid below opposite the level that corresponds to the level that contains the lowest Rating on the Senior Debt in the event that the Ratings fall within different levels (it being understood that Level 1 is the highest level):

(i) For the period commencing on March 1, 2013, through April 4, 2013, the Facility Fee Rate for such period shall be determined in accordance with the pricing matrix below:

JPMFee 3353331 01 07
4112306

Level	Moody's Rating	S&P Rating	Fitch Rating	Facility Fee Rate
Level 1	Aa3 or above	AA- or above	AA- or above	105 b.p.
Level 2	A1	A+	A+	115 b.p.
Level 3	A2	A	A	125 b.p.
Level 4	A3	A-	A-	135 b.p.
Level 5	Baa1	BBB+	BBB+	145 b.p.
Level 6	Baa2	BBB	BBB	155 b.p.
Level 7	Baa3	BBB-	BBB-	165 b.p.

(ii) For the period commencing on April 5, 2013, and at all times thereafter, the Facility Fee Rate for such period shall be determined in accordance with the pricing matrix below:

Level	Moody's Rating	S&P Rating	Fitch Rating	Facility Fee Rate
Level 1	Aa3 or above	AA- or above	AA- or above	57.5 b.p.
Level 2	A1	A+	A+	67.5 b.p.
Level 3	A2	A	A	77.5 b.p.
Level 4	A3	A-	A-	87.5 b.p.
Level 5	Baa1	BBB+	BBB+	97.5 b.p.
Level 6	Baa2	BBB	BBB	107.5 b.p.
Level 7	Baa3	BBB-	BBB-	117.5 b.p.

Notwithstanding the foregoing, the Facility Fee Rate shall be increased by 1.00% per annum from the Facility Fee Rate in effect immediately prior thereto, (a) in the event that any Rating is withdrawn or suspended by any Rating Agency and (b) upon the occurrence and during the continuance of an Event of Default. Any change in the Facility Fee Rate resulting from a change, withdrawal or suspension of a Rating shall be and become effective as of and on the date of the announcement of the change, withdrawal or suspension of such Rating. As used herein, the term "Rating" shall refer to any long-term rating assigned by Moody's, S&P or Fitch to the Authority's Senior Debt (without giving effect to any bond insurance policy or other credit enhancement).

(2) In the event either or both of the Letters of Credit are terminated or the Aggregate Stated Amount is reduced prior to the scheduled Termination Date, a fee (the *"Termination Fee"*) payable on the date of termination or reduction equal to the Facility Fee that would have been payable to the Bank pursuant to preceding paragraph (1) but for the termination or reduction for the period from and including the date on which the Letter(s) of Credit is terminated or the Aggregate Stated Amount is reduced to and including the then current scheduled Termination Date assuming (A) a Facility Fee Rate equal to the Facility Fee Rate in effect immediately prior to the termination or reduction; and (B) an Aggregate Stated Amount equal to the Aggregate Stated Amount in effect

immediately prior to the termination or reduction; *provided, however,* that the Termination Fee shall not be payable if (i) the short-term ratings of the Bank fall below "P1" by Moody's or "A-1" by S&P or "F1" by Fitch or (ii) the Bank imposes increased costs pursuant to Section 7.1 of the Agreement.

(3) A draw fee of $300 for each Advance, payable on each Business Day on which the Bank makes an Advance or, if the Authority so elects, payable monthly in arrears on the first Business Day of each calendar month.

(4) At the time any amendment, modification, waiver, supplement or restatement of the Agreement, either Letter of Credit, this Amended and Restated Fee Letter, the Bank Note or any Related Document is requested, a fee of $3,000, plus reasonable attorneys' fees and expenses, which fee shall be earned and payable whether or not any such amendment, modification, waiver, supplement or restatement is executed or consent granted. Extensions to the term of a Letter of Credit or both Letters of Credit solely will not require the payment of such fee.

(5) Upon the transfer of any Letter of Credit by the Issuing and Paying Agent to another financial institution in accordance with Annex B to the Letter of Credit, a fee of $3,000, plus reasonable attorneys' fees and expenses.

(6) On the date hereof, the fees and expenses of Chapman and Cutler LLP, counsel to the Bank, in an amount equal to $5,000.

All amounts paid pursuant to this Amended and Restated Fee Letter shall be non-refundable. Computations of the Facility Fee and the Termination Fee shall be made on the basis of a 360-day year and actual days elapsed. All amounts paid pursuant to this Amended and Restated Fee Letter shall be paid in the manner set forth in the Agreement.

This Amended and Restated Fee Letter may not be amended or waived except by an instrument in writing signed by the Bank and the Authority.

This Amended and Restated Fee Letter shall be governed by and construed in accordance with the internal laws of the State of New York, without giving effect to conflict of law principles; *provided, however,* that the obligations of the Authority hereunder shall be governed by the laws of the District.

This Amended and Restated Fee Letter may be executed in any number of counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one agreement. Delivery of an executed signature page of this Amended and Restated Fee Letter by electronic transmission shall be effective as delivery of a manually executed counterpart hereof.

This Amended and Restated Fee Letter is delivered to the Authority on the understanding that neither this Amended and Restated Fee Letter nor any of its terms shall be disclosed, directly or indirectly, to any other person except (a) to the Authority's officers, directors, employees, accountants, attorneys, agents and advisors who are directly involved in the consideration of this matter on a confidential and need-to-know basis and for whom the Authority shall be responsible for any breach by any of them of this confidentiality undertaking or (b) under compulsion of law (whether by interrogatory, subpoena, civil investigative demand or otherwise) or by order of any court or governmental or regulatory body, *provided* that, to the extent permitted, the Authority shall give us reasonable prior notice of such disclosure.

This Amended and Restated Fee Letter amends and restates in its entirety the Original Fee Letter. Reference to this specific Amended and Restated Fee Letter need not be made in any agreement, document, instrument, letter, certificate, the Original Fee Letter itself, or any communication issued or made pursuant to or with respect to the Original Fee Letter, any reference to the Original Fee Letter being sufficient to refer to the Original Fee Letter as amended and restated hereby, and more specifically, any and all references to the Fee Letter in the Agreement shall mean this Amended and Restated Fee Letter.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

Please confirm that the foregoing is our mutual understanding by signing and returning to the Bank an executed counterpart of this Amended and Restated Fee Letter. This Amended and Restated Fee Letter shall become effective as of the date first above referenced upon our receipt of an executed counterpart of this Amended and Restated Fee Letter from the Authority.

Very truly yours,

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION

By:________________________________
Name: David I. Weinstein
Title: Executive Director

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

By: ________________________________
Name: ____________________________
Title: _____________________________

[Signature page to Amended and Restated Fee Letter]

ATTACHMENT 4E

AMENDED AND RESTATED FEE LETTER
DATED AS OF APRIL 5, 2013

Reference is made to (i) the Reimbursement Agreement, dated as of June 1, 2010 (as amended, restated, supplemented or otherwise modified from time to time, the *"Agreement"*), between the District of Columbia Water and Sewer Authority (*"you"* or the *"Authority"*) and U.S. Bank National Association (the *"Bank"*) and (ii) the Fee Letter dated as of June 1, 2010 (the *"Original Fee Letter"*), by and between the Authority and the Bank. Any capitalized term below that is defined in the Agreement shall have the same meaning when used herein. This letter is the Fee Letter described in the Agreement.

The Authority has requested that the Bank make certain modifications to the Original Fee Letter, and, for the sake of clarity and convenience, the Bank and the Authority wish to amend and restate the Original Fee Letter in its entirety, and this Amended and Restated Fee Letter shall amend and restate the Original Fee Letter in its entirety. The purpose of this Amended and Restated Fee Letter is to confirm the agreement between the Bank and the Authority with respect to the Facility Fee (as defined below) and certain other fees payable by the Authority to the Bank. This Amended and Restated Fee Letter is the Fee Letter referenced in the Agreement, and the terms hereof are incorporated by reference into the Agreement.

In consideration for the Bank's agreement enter into the Agreement and to make Advances, the Authority agrees to make the following payments at the following times:

(1) A facility fee (the *"Facility Fee"*) for each day on the Stated Amount as of the close of business of the Bank on such day, at the Facility Fee Rate (as defined below), payable quarterly in arrears on the first Business Day of each September, December, March and June (commencing on June 1, 2013, for the period from and including March 1, 2013 to and including May 31, 2013) until the Termination Date and on the Termination Date. As used herein, *"Facility Fee Rate"* means the rate per annum set forth in the grid below opposite the Ratings in Level 1; *provided, however,* if any Rating Agency downgrades its Rating on the Authority's Senior Debt to a level less than Level 1, the applicable *"Facility Fee Rate"* shall be the rate per annum set forth in the grid below opposite the level that corresponds to (i) the level that contains all of the Ratings on the Senior Debt in the event the Ratings fall within a single level or (ii) the level that contains the lowest Rating on the Senior Debt in the event that the Ratings fall within different levels (it being understood that level 1 is the highest level):

(i) For the period commencing on March 1, 2013, through April 4, 2013, the Facility Fee Rate for such period shall be determined in accordance with the pricing matrix below:

LEVEL	MOODY'S RATING	S&P RATING	FITCH RATING	FACILITY FEE RATE
Level 1	Aa3 or above	AA- or above	AA- or above	70.0 b.p.

USBankFee 3354005 01 05 (2)
4112306

Level 2	A1	A+	A+	80.0 b.p.
Level 3	A2	A	A	95.0 b.p.
Level 4	A3	A-	A-	120.0 b.p.
Level 5	Baa1 or below	BBB+ or below	BBB+ or below	320.0 b.p.

(ii) For the period commencing on April 5, 2013, and at all times thereafter, the Facility Fee Rate for such period shall be determined in accordance with the pricing matrix below:

LEVEL	MOODY'S RATING	S&P RATING	FITCH RATING	FACILITY FEE RATE
Level 1	Aa3 or above	AA- or above	AA- or above	52.5 b.p.
Level 2	A1	A+	A+	62.5 b.p.
Level 3	A2	A	A	77.5 b.p.
Level 4	A3	A-	A-	102.5 b.p.
Level 5	Baa1 or below	BBB+ or below	BBB+ or below	250.0 b.p.

Notwithstanding the foregoing, the Facility Fee Rate shall be increased by 1.00% per annum from the Facility Fee Rate in effect immediately prior thereto (a) in the event that any Rating is cancelled, withdrawn or suspended by any Rating Agency for credit-related reasons or due to the failure of the Authority to maintain such Rating and (b) upon the occurrence and during the continuance of an Event of Default (other than an Event of Default in connection with a ratings change that is reflected in the above chart). Any change in the Facility Fee Rate resulting from a change, cancellation, withdrawal or suspension of a Rating shall be and become effective as of and on the date of the announcement of the change, cancellation, withdrawal or suspension of such Rating. Any change in the Facility Fee Rate resulting from an Event of Default shall become effective as of and on the date such Event of Default first occurs and said change in the Facility Fee Rate shall remain in effect until the Bank has provided a written waiver thereof or said Event of Default has been cured to the satisfaction of the Bank. References to the Ratings above are references to the Rating categories of the Rating Agencies as presently determined by the respective Rating Agencies and, in the event of adoption of any new or changed rating system by any Rating Agency, the Ratings from the applicable Rating Agency shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as then currently in effect. As used herein, the term *"Rating"* shall refer to any long-term rating assigned by Moody's, S&P or Fitch to the Authority's Senior Debt (without giving effect to any bond insurance policy or other credit enhancement).

(2) A draw fee of $350 for each Advance, payable on each Business Day on which the Bank makes an Advance or, if the Authority so elects, payable monthly in arrears on the first Business Day of each calendar month.

(3) At the time any amendment, modification, waiver, supplement or restatement of the Agreement, the Letter of Credit, this Amended and Restated Fee Letter or the Bank Note is requested, a fee of $3,000 plus reasonable attorneys' fees and expenses, which fee shall be

earned and payable whether or not any such amendment, modification, waiver, supplement or restatement is executed or consent granted. Extensions to the term of the Letter of Credit solely will not require the payment of such fee.

(4) On the date hereof, the fees and expenses of Chapman and Cutler LLP, counsel to the Bank, in an amount equal to $5,000.

All amounts paid pursuant to this Amended and Restated Fee Letter shall be non-refundable. Computations of the Facility Fee shall be made on the basis of a 360 day year and actual days elapsed. All amounts paid pursuant to this Amended and Restated Fee Letter shall be paid in the manner set forth in the Agreement.

This Amended and Restated Fee Letter may not be amended or waived except by an instrument in writing signed by the Bank and you.

This Amended and Restated Fee Letter shall be governed by and construed in accordance with the internal laws of the State of New York, without giving effect to conflict of law principles; *provided, however,* that the obligations of the Authority hereunder shall be governed by the laws of the District.

This Amended and Restated Fee Letter may be executed in any number of counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one agreement. Delivery of an executed signature page of this Amended and Restated Fee Letter by electronic transmission shall be effective as delivery of a manually executed counterpart hereof.

This Amended and Restated Fee Letter is delivered to you on the understanding that neither this Amended and Restated Fee Letter nor any of its terms shall be disclosed, directly or indirectly, to any other person except (a) to your officers, directors, employees, accountants, attorneys, agents and advisors who are directly involved in the consideration of this matter on a confidential and need-to-know basis and for whom you shall be responsible for any breach by any of them of this confidentiality undertaking or (b) under compulsion of law (whether by interrogatory, subpoena, civil investigative demand or otherwise) or by order of any court or governmental or regulatory body, *provided* that, to the extent permitted, you shall give us reasonable prior notice of such disclosure.

This Amended and Restated Fee Letter amends and restates in its entirety the Original Fee Letter. Reference to this specific Amended and Restated Fee Letter need not be made in any agreement, document, instrument, letter, certificate, the Original Fee Letter itself, or any communication issued or made pursuant to or with respect to the Original Fee Letter, any reference to the Original Fee Letter being sufficient to refer to the Original Fee Letter as amended and restated hereby, and more specifically, any and all references to the Fee Letter in the Agreement shall mean this Amended and Restated Fee Letter.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

Please confirm that the foregoing is our mutual understanding by signing and returning to the Bank an executed counterpart of this Amended and Restated Fee Letter. This Amended and Restated Fee Letter shall become effective as of the date first above referenced upon our receipt of an executed counterpart of this Amended and Restated Fee Letter from the Authority.

Very truly yours,

U.S. BANK NATIONAL ASSOCIATION

By:____________________________________
Name: Jeffrey Heckman
Title: Vice President

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

By:____________________________________
Name: ________________________________
Title: _________________________________

[Signature page to Amended and Restated Fee Letter]

ATTACHMENT 4F

Squire Sanders Draft: 3/21/13

BOOK-ENTRY ONLY

UPDATED OFFERING MEMORANDUM

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

$75,000,000
Commercial Paper Notes
Series A (Tax-Exempt)

Barclays Capital
As Dealer

$50,000,000
Commercial Paper Notes
Series B (Tax-Exempt)

J.P. Morgan
As Dealer

$75,000,000
Commercial Paper Notes
Series C (Taxable)

J.P. Morgan
As Dealer

Dated: April __, 2013

J.P.Morgan

As Letter of Credit Provider
for the Series A and Series B Notes

usbank

As Letter of Credit Provider
for the Series C Notes

ATTACHMENT 4F

This Updated Offering Memorandum ("Offering Memorandum") is intended for use only in an offering to qualifying investors and is not to be used for any other purpose. It does not purport to provide a complete description of all risks and factors that may be considered by an investor. Qualifying investors include institutional investors and individual investors who customarily purchase commercial paper in denominations of at least $100,000.

This Offering Memorandum is provided in connection with the sale of the Notes referred to herein and may not be reproduced or be used, in whole or in part, for any other purpose. The information contained in this Offering Memorandum has been obtained from the District of Columbia Water and Sewer Authority, the Banks and other sources which are believed to be reliable. The CP Dealers (as defined herein) have provided the following sentence for inclusion in this Offering Memorandum. The CP Dealers have reviewed the information in this Offering Memorandum in accordance with, and as part of, their respective responsibilities to investors under the federal securities law as applied to the facts and circumstances of this transaction, but the CP Dealers do not guarantee the accuracy or completeness of such information.

No dealer, broker, salesman or other person has been authorized by the District of Columbia Water and Sewer Authority or the CP Dealers to give any information or to make any representations other than those contained in this Offering Memorandum, and, if given or made, such information or representations must not be relied upon as having been authorized by any of the foregoing. This Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein speak as of their date unless otherwise noted and are subject to change without notice. Neither the delivery of this Offering Memorandum nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the District of Columbia Water and Sewer Authority since the date hereof.

The Notes will be exempt from registration under the Securities Act of 1933, as amended.

The short-term ratings in this Offering Memorandum are only accurate as of the date hereof, and do not reflect watch status, if any. The ratings may subsequently be changed or withdrawn, and, therefore, any prospective purchaser should confirm the ratings prior to purchasing the Notes.

If for any reason either Bank (as hereinafter defined) fails to make a payment due under the relevant Letter of Credit, no assurance can be given that the District of Columbia Water and Sewer Authority will have sufficient funds on hand and available to make such payment of principal of and/or interest on the relevant Commercial Paper Notes or to make such payments in a timely manner. Prospective investors therefore should base their investment decision primarily on the credit standing of the relevant Bank, rather than on that of the District of Columbia Water and Sewer Authority.

This Offering Memorandum contains certain information for quick reference only; it is not a summary of the terms of the Notes. Information essential to the making of an informed decision with respect to the Notes may be obtained in the manner described herein. All references to the documents and other materials not purporting to be quoted in full are qualified in their entirety by reference to the complete provisions of the documents and other materials referenced which

ATTACHMENT 4F

may be obtained in the manner described herein. The information in this Offering Memorandum is subject to change without notice after April __, 2013, and future use of this Offering Memorandum shall not otherwise create any implication that there has been no change in the matters referred to in this Offering Memorandum since April __, 2013.

The information set forth herein was obtained from sources which the CP Dealers believes to be reliable, but the CP Dealers do not guarantee its accuracy. Neither the information, nor any opinion expressed, constitutes a solicitation by the CP Dealers of the purchase or sale of any instruments. The information contained herein will not typically be distributed or updated upon each new sale of Notes, although the information will be distributed from time to time. Further, the information herein is not intended as substitution for the investors' own inquiry into the creditworthiness of the Authority, and, if applicable, another party providing credit or liquidity support for the Notes, and investors are encouraged to make such inquiry.

UPDATED OFFERING MEMORANDUM
RELATING TO

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

$75,000,000
Commercial Paper Notes
Series A (Tax-Exempt)

$50,000,000
Commercial Paper Notes
Series B (Tax-Exempt)

$75,000,000
Commercial Paper Notes
Series C (Taxable)

This Updated Offering Memorandum amends and restates that certain Offering Memorandum of the District of Columbia Water and Sewer Authority (the "Authority") dated May 26, 2010 and related to the continual issuance of the Notes (as hereinafter defined). This update was primarily predicated by the extension of the expiration date of the Letters of Credit (as hereinafter defined) from May 31, 2013 to May 29, 2015.

The Authority: The District of Columbia Water and Sewer Authority (the "Authority"), an independent authority of the District of Columbia Government (the "District"), was created in April 1996. The Authority began operating on October 1, 1996, under and pursuant to an act of the Council of the District of Columbia (the "Council") entitled the "Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996," (D.C. Law 11-111, codified as amended as D.C. Code Ann. § 34-2201.01 et seq. (2001)) and the acts amendatory thereof and supplemental thereto (the "Act"), and an act of the United States Congress entitled the "District of Columbia Water and Sewer Authority Act of 1996," Pub.L. No. 104-184, (the "Federal Act").

The Act created the Authority for the purpose of assuming full responsibility from the District for the financing, operating and the providing of essential retail water and wastewater services to approximately 600,000 people in the District and wholesale wastewater conveyance and treatment to approximately 1.6 million people in the suburban areas of Prince George's and Montgomery Counties, Maryland and Fairfax and Loudoun Counties, Virginia, among others.

Significant users of the Authority's services include the Washington Suburban Sanitary Commission ("WSSC"), Fairfax County, Virginia, the federal government, including several federal agencies such as the Department of Defense, the Department of the Navy, and the General Services Administration, and commercial and residential customers within the District.

The Authority is governed by a Board of Directors (the "Board") that includes representatives from the District, Prince George's and Montgomery Counties, Maryland, and Fairfax County, Virginia. Since its inception, the Authority has improved its financial performance and operations. Specifically, the Authority has developed and is implementing a ten-year, $3.8 billion capital improvement program (the "CIP") and has regularly raised its retail rates since 1996 to support this program. In accordance with Board policy, the Authority annually revises its comprehensive ten-year financial plan which provides financing for the CIP, required regulatory improvements and operating and maintenance expenses, while meeting Board policy requirements for cash reserves and debt service coverage.

Pursuant to the Act, the District has authorized the Authority to use all of the property and assets of the water distribution system (the “Water System”) and the sewage collection, treatment and disposal system (the “Sewer System” and together with the Water System, the “System”) formerly operated by the District’s Department of Public Works, Water and Sewer Utility Administration, for as long as any revenue bonds of the Authority remain outstanding. In accordance with the Act, the District retains full legal title to and a complete equitable interest in the System, but the System will remain under the uninterrupted control of the Authority for as long as any Authority debt remains outstanding.

One of the facilities comprising the Sewer System is the Blue Plains Wastewater Treatment Plant, the largest advanced wastewater treatment facility in the United States. This facility has the capacity to process 370 million gallons of wastewater per day. Wastewater conveyance, treatment and disposal services are provided to the District and to jurisdictions outside the District pursuant to several intermunicipal agreements. Wastewater collection services are primarily offered within the District.

Water transmission and distribution services are provided by the Authority primarily to the District. Pursuant to a Water Sales Agreement, the Authority purchases all of its water, fully treated, from the Washington Aqueduct, which is owned by the federal government and operated by the U.S. Army Corps of Engineers. The ability to establish the Authority’s water and sewer rates rests solely with the Board, and neither the Council of the District of Columbia nor the United States Congress have any authority over the rate setting process.

Inquiries regarding information about the Authority and its financial matters contained in this Offering Memorandum may be directed to Robert Hunt, Treasury Manager, at (202) 787-2167.

Not all relevant information with respect to the operations of the Authority that may be necessary to analyze its current financial condition is included in this Offering Memorandum in light of the presence of the Letters of Credit, as described below. Investors should primarily consider the relevant Letter of Credit in assessing the Authority’s ability to repay the Notes promptly when due. See **“The Letters of Credit”** herein.

Issuance of the Notes: The Authority has issued and continues to issue its Commercial Paper Notes, Series A (Tax-Exempt) (the “Series A Notes”) in an aggregate principal amount not to exceed $75,000,000 at any one time outstanding, and its Commercial Paper Notes, Series B (Tax-Exempt) (the “Series B Notes”), in an aggregate principal amount not to exceed $50,000,000 at any one time outstanding, and its Commercial Paper Notes, Series C (Taxable) (the “Series C Notes” and, together with the Series A Notes and the Series B Notes, the “Notes”) in an aggregate principal amount not to exceed $75,000,000 at any one time outstanding. The Notes are issued pursuant to resolutions adopted by the Board on May 6, 2010 and April 5, 2013 (collectively, the “Resolution”), and an Issuing and Paying Agency Agreement dated as of June 1, 2010 (the “Issuing and Paying Agency Agreement”) between the Authority and Deutsche Bank Trust Company Americas (the “Issuing and Paying Agent”).

Amount of Notes: The Board has authorized the issuance of Series A Notes in an aggregate principal amount not to exceed $75,000,000 at any one time outstanding, of Series B Notes in an aggregate principal amount not to exceed $50,000,000 at any one time outstanding, and of Series C Notes in an aggregate principal amount not to exceed $75,000,000 at any one time outstanding.

Plan of Finance: Proceeds of the Notes will be used to provide funds to pay (i) Costs of the System, (ii) obligations of the Banks under each Bank Note resulting from draws under the Letters of Credit, and (iii) the costs of issuance of the Notes.

Issuing and Paying Agent: Deutsche Bank Trust Company Americas will act as Issuing and Paying Agent for the Notes.

Dealers: Barclays Capital and J.P. Morgan Securities LLC (together, the "CP Dealers") will serve as commercial paper dealers for the offering of the Notes to qualifying investors, pursuant to the terms of respective Commercial Paper Dealer Agreements between the Authority and each of the commercial paper dealers dated as of June 1, 2010 (the "Dealer Agreements").

Form and Terms of Notes: The Notes initially will be registered in the name of The Depository Trust Company ("DTC") or Cede & Co., its nominee, and will be issued in denominations of $100,000 or in additional increments of $1,000. The Notes shall be dated and bear interest from their date of delivery at a rate per annum not in excess of the Maximum Rate, calculated on the basis of a 365- or 366-day year, as appropriate, and actual days elapsed as for the Series A Notes and the Series B Notes, and calculated on the basis of a 360-day year, actual days elapsed, as for the Series C Notes. The "Maximum Rate" means the maximum interest rate authorized by the Authority from time to time for the Notes and shall initially mean 12% per annum. The Notes will mature and become payable on such dates as an authorized representative of the Authority may establish at the time of issuance, provided that no Note shall mature or become payable more than 270 days from the date of issuance. No Note will mature less than 10 days prior to the expiration of the appropriate Letter of Credit delivered in connection with such Series of Notes, which expiration date is currently May 29, 2015. The Notes are not subject to redemption prior to maturity. The Notes will be sold at their par amount.

Exemption: The Notes are exempt from registration under the Securities Act of 1933, as amended.

Maturity Date: 1 to 270 days.

Interest Payment Dates: Interest on each Note is payable on the related Maturity Date.

Defined Terms: Capitalized terms used in this Offering Memorandum and not defined herein have the meanings set forth in the Issuing and Paying Agency Agreement. See "Miscellaneous" herein.

Source of Payment for the Notes: The Notes will be secured by and payable solely from and secured by a subordinate lien on the Trust Estate, including but not limited to the Net Revenues, a lien on Pledged Funds, the income derived from the investment of any Pledged Funds, and other moneys that have been pledged as described in the Indenture and the Issuing and Paying Agency Agreement to secure payment thereof. "Pledged Funds" means (i) proceeds of the sale of the Notes deposited in the Commercial Paper Account, (ii) moneys held in the Construction Account, (iii) amounts on deposit in the appropriate Letter of Credit Account made available from draws under the appropriate Letter of Credit with respect to such Notes, and (iv) other legally available funds as shall be determined by the Authority and paid into the Commercial Paper Account, all of which are pledged by the Authority to the Issuing and Paying Agent under the Issuing and Paying Agency Agreement as security for the Notes and the Bank Note. "Trust Estate" means the money, investments, property and certain rights of the Authority thereto, including, without limitation, the Net Revenues, granted under the Indenture for certain holders of Authority debt, including holders of the Notes.

UNDER THE ACT AND THE FEDERAL ACT, THE NOTES ARE SPECIAL OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM AND SECURED BY A SUBORDINATE LIEN ON THE TRUST ESTATE, INCLUDING BUT NOT LIMITED TO THE NET REVENUES, A LIEN ON PLEDGED FUNDS, THE INCOME DERIVED FROM THE INVESTMENT OF ANY PLEDGED FUNDS, AND OTHER MONEYS THAT HAVE BEEN PLEDGED AS DESCRIBED IN THE INDENTURE AND THE ISSUING AND PAYING AGENCY AGREEMENT TO SECURE PAYMENT THEREOF. THE NOTES SHALL BE WITHOUT RECOURSE TO THE DISTRICT. THE NOTES SHALL NOT BE GENERAL OBLIGATIONS OF THE DISTRICT OR OF THE AUTHORITY. THE NOTES SHALL NOT BE A PLEDGE OF OR INVOLVE THE FAITH AND CREDIT OR THE TAXING POWER OF THE DISTRICT, SHALL NOT CONSTITUTE A DEBT OF THE DISTRICT, THE UNITED STATES OF AMERICA AND NEITHER THE DISTRICT NOR THE UNITED STATES SHALL BE LIABLE THEREON. THE NOTES ALSO SHALL NOT CONSTITUTE THE LENDING OF THE PUBLIC CREDIT FOR PRIVATE UNDERTAKINGS AS PROHIBITED BY THE HOME RULE ACT OF THE DISTRICT (AS DEFINED HEREIN). THE AUTHORITY HAS NO TAXING POWER.

No recourse shall be had for the payment of the principal of, premium, if any, or interest on the Notes or for any claim based thereon or upon any obligation, covenant or agreement in the Indenture or the Issuing and Paying Agency Agreement contained, against the Authority, any past, present or future member of its governing body, its officers, attorneys, accountants, financial advisors, agents or staff, or the officers, attorneys, accountants, financial advisors, agents or staff of any successor public entity, as such, either directly or through the Authority or any successor public entity, under any rule of law or penalty or otherwise.

- Events of Default on the Notes. Each of the following events constitutes an "Event of Default" under the Issuing and Paying Agency Agreement:

(a) Default in the payment of interest on any Note when it becomes due and payable; and

(b) Default in the payment of principal of (or premium, if any, on) any Note when the same becomes due and payable.

Upon the happening and continuance of any Event of Default, if either of the Banks is then in default under its Letter of Credit, the holders of the Notes may take any one or more or the following steps:

(a) by mandamus or other suit, action or proceeding at law or in equity enforce all rights of the holders of the Notes, and require the Authority or the Issuing and Paying Agent to carry out any agreements with or for the benefit of the holders of the Notes and to perform its or their duties under the Act, the Letter of Credit and the Issuing and Paying Agency Agreement, including that the Issuing and Paying Agent immediately draw on the Letters of Credit and use the proceeds of the Drawings and, to the extent needed, other Pledged Funds, to repay the Notes at their respective stated maturities;

(b) by action or suit in equity require the Authority to account as if it were the trustee of an express trust for the holders of the Notes; or

(c) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the holders of the Notes.

The Letters of Credit. The Authority and JPMorgan Chase Bank, National Association ("JPMorgan"), have entered into a Letter of Credit and Reimbursement Agreement, dated as of June 1, 2010, as amended by the First Amendment to Letter of Credit and Reimbursement Agreement, dated April 5, 2013 (together, the "JP Morgan Reimbursement Agreement"), and the Authority and U.S. Bank National Association ("U.S. Bank" and, together with JPMorgan, the "Banks"), have entered into a Reimbursement Agreement, dated as of June 1, 2010, as amended by the First Amendment to Reimbursement Agreement, dated April 5, 2013 (together, the "U.S. Bank Reimbursement Agreement" and, together with the JPMorgan Reimbursement Agreement, the "Reimbursement Agreements"). In order to ensure timely payment of the principal of and interest on the Notes, at the Authority's request, JPMorgan has issued a Letter of Credit for the Series A Notes ("Series A Letter of Credit") and a Letter of Credit for the Series B Notes ("Series B Letter of Credit"), and U.S. Bank has issued a Letter of Credit for the Series C Notes ("Series C Letter of Credit" and, together with the Series A Letter of Credit and the Series B Letter of Credit, the "Letters of Credit") to the Issuing and Paying Agent as beneficiary pursuant to, and upon the terms and conditions stated in, the Reimbursement Agreement. On or before the date of maturity of any Note, the Issuing and Paying Agent shall draw on the appropriate Letter of Credit an amount equal to the principal amount and interest due on the related Notes maturing on such date. Pursuant to the Issuing and Paying Agency Agreement, all amounts received from any drawing on the Letters of Credit are required to be deposited in the applicable subaccount of the Letter of Credit Account established thereunder and held in trust and set aside exclusively for the payment of the related Notes for which such drawing was made, and the Issuing and Paying Agent is required to apply such amounts to the payment of the principal of and interest on such Notes, upon presentation for payment. The Series A Letter of Credit has been issued in a stated principal amount of up to $75,000,000, the Series B Letter of Credit has been issued in a stated principal amount of up to $50,000,000, and the Series C Letter of Credit has been issued in a stated principal amount of up to $75,000,000, in each case with interest thereon at the Maximum Rate for the Maximum Term, each of which may be drawn upon by the Issuing and Paying Agent to pay the principal amount of and interest on the applicable series of maturing Notes. Unless further extended, the current expiration date of each Letter of Credit is May 29, 2015.

The Authority will at all times maintain the Letters of Credit or other credit facilities (each a "Substitute Letter of Credit") supporting all Outstanding Notes. Any Substitute Letter of Credit shall go into effect at least one Business Day prior to the termination of the Letter of Credit then in effect, and on the stated maturity of the then Outstanding Notes secured by such Letter of Credit. The termination date with respect to such substitute Letter of Credit shall be no earlier than the later of (i) six months after its date or (ii) the termination date set forth in such Letter of Credit then in effect. The Substitute Letter of Credit shall have a stated amount at least as great as the principal amount of Outstanding Commercial Paper Notes, plus interest at the Maximum Rate for the Maximum Term. Other conditions to the Issuing and Paying Agent's ability to release an existing Letter of Credit and accept a Substitute Letter of Credit include: (1) the Authority shall deliver written notice of the proposed substitution to the Issuing and Paying Agent, the Bank and each Dealer not less than 25 days prior to the substitution date; (2) there shall be delivered to the Authority and the Issuing and Paying Agent written evidence from each rating agency then maintaining a rating on the Notes at the request of the Authority, that the substitution of such Letter of Credit will not, in and of itself, result in any rating then assigned to the Notes being suspended, reduced or withdrawn; and (3) the Issuing and Paying Agent shall deliver written notice to the holders of the Notes at least 15 days prior to the substitution date.

Maximum Rate: The Maximum Rate for the Notes is currently 12% per annum.

Maximum Term: The Maximum Term for the Notes is currently 270 days.

The Banks:

- JPMorgan. JPMorgan is a wholly owned subsidiary of JPMorgan Chase & Co., a Delaware corporation whose principal office is located in New York, New York. The Bank offers a wide range of banking services to its customers, both domestically and internationally. It is chartered and its business is subject to examination and regulation by the Office of the Comptroller of the Currency.

As of December 31st, 2012, JPMorgan had total assets of $1,896.8 billion, total net loans of $608.7 billion, total deposits of $1,246.3 billion, and total stockholder's equity of $146.3 billion. These figures are extracted from JPMorgan's unaudited Consolidated Reports of Condition and Income (the "Call Report") as of December 31st, 2012, prepared in accordance with regulatory instructions that do not in all cases follow U.S. generally accepted accounting principles. The Call Report including any update to the above quarterly figures is filed with the Federal Deposit Insurance Corporation and can be found at www.fdic.gov.

Additional information, including the most recent annual report on Form 10-K for the year ended December 31, 2011, of JPMorgan Chase & Co., the 2011 Annual Report of JPMorgan Chase & Co., and additional annual, quarterly and current reports filed with or furnished to the Securities and Exchange Commission (the "SEC") by JPMorgan Chase & Co., as they become available, may be obtained without charge by each person to whom this Offering Memorandum is delivered upon the written request of any such person to the Office of the Secretary, JPMorgan Chase & Co., 270 Park Avenue, New York, New York 10017 or at the SEC's website at www.sec.gov.

The information contained in this section relates to and has been obtained from JPMorgan. The delivery of the Offering Memorandum shall not create any implication that there has been no *change in the affairs of JPMorgan since the date hereof, or that the information contained or referred to in this section is correct as of any time subsequent to its date.*

- U.S. Bank. U.S. Bank is a national banking association organized under the laws of the United States and is the largest subsidiary of U.S. Bancorp. At December 31, 2012, U.S. Bank reported total assets of $345 billion, total deposits of $254 billion and total shareholders' equity of $40 billion. The foregoing financial information regarding U.S. Bank has been derived from and is qualified in its entirety by the unaudited financial information contained in the Federal Financial Institutions Examination Council report Form 031, Consolidated Report of Condition and Income for a Bank with Domestic and Foreign Offices ("Call Report"), for the quarter ended December 31, 2012. The publicly available portions of the quarterly Call Reports with respect to U.S. Bank are on file with, and available upon request from, the FDIC, 550 17th Street, NW, Washington, D.C. 20429 or by calling the FDIC at (877) 275-3342. The FDIC also maintains an Internet website at www.fdic.gov that contains reports and certain other information regarding depository institutions such as U.S. Bank. Reports and other information about U.S. Bank are available to the public at the offices of the Comptroller of the Currency at One Financial Place, Suite 2700, 440 South LaSalle Street, Chicago, IL 60605.

U.S. Bancorp is subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and, in accordance therewith, files reports and other information with the Securities and Exchange Commission (the "SEC"). U.S. Bancorp is not guaranteeing the obligations of U.S. Bank and is not otherwise liable for the obligations of U.S. Bank.

Except for the contents of this section, U.S. Bank and U.S. Bancorp assume no responsibility for the nature, contents, accuracy or completeness of the information set forth in this Offering Memorandum.

Tax Status of Interest on the Notes:

- Series A Notes and Series B Notes. In the opinion of Squire Sanders (US) LLP and Leftwich & Ludaway, LLC, Co-Bond Counsel, under existing law: (i) interest on the Series A Notes and the Series B Notes (together, the "Tax-Exempt Notes"), is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; and (ii) the Tax-Exempt Notes and the interest thereon are exempt from District taxation, except estate, inheritance and gift taxes. Co-Bond Counsel expresses no opinion as to any other tax consequences regarding the Tax-Exempt Notes.

The opinion on tax matters will be based on and will assume the accuracy of certain representations and certifications, and continuing compliance with certain covenants, of the Authority contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Tax-Exempt Notes are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Co-Bond Counsel will not independently verify the accuracy of the Authority's certifications and representations or the continuing compliance with the Authority's covenants.

The opinion of Co-Bond Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Co-Bond Counsel's legal judgment as to exclusion of interest on the Tax-Exempt Notes from gross income for federal income tax purposes but is not a guaranty of that conclusion. The opinion is not binding on the Internal Revenue Service ("IRS") or any court. Co-Bond Counsel expresses no opinion about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and the enforcement of the Code or those regulations by the IRS.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and to remain excluded from gross income for federal income tax purposes, some of which require future or continued compliance after issuance of the obligations. Noncompliance with these requirements by the Authority may cause loss of such status and result in the interest on the Tax-Exempt Notes being included in gross income for federal income tax purposes retroactively to the date of issuance of the Tax-Exempt Notes. The Authority has covenanted to take the actions required of it for the interest on the Tax-Exempt Notes to be and to remain excluded from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion. After the date of the initial issuance of the Tax-Exempt Notes, Co-Bond Counsel will not undertake to determine (or to so inform any person) whether any actions taken or not taken, or any events occurring or not occurring, or any other matters coming to Co-Bond Counsel's attention, may adversely affect the exclusion from gross income for federal income tax purposes of interest on the Tax-Exempt Notes or the market value of the Tax-Exempt Notes.

A portion of the interest on the Tax-Exempt Notes earned by certain corporations may be subject to a federal corporate alternative minimum tax. In addition, interest on the Tax-Exempt Notes may be subject to a federal branch profits tax imposed on certain foreign corporations doing business in the United States and to a federal tax imposed on excess net passive income of certain S corporations. Under the Code, the exclusion of interest from gross income for federal income tax purposes may have certain adverse federal income tax consequences on items of income, deduction or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit. The applicability and extent of these and other tax consequences will depend upon the particular tax status or other tax items of the owner of the Tax-Exempt Notes. Co-Bond Counsel will express no opinion regarding those consequences.

Payments of interest on tax-exempt obligations, including the Tax-Exempt Notes, are generally subject to IRS Form 1099-INT information reporting requirements. If a Tax-Exempt Note owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

Co-Bond Counsel's engagement with respect to the Tax-Exempt Notes ends with the issuance of the initial issuance of each series of Tax-Exempt Notes, and, unless separately engaged, Co-Bond Counsel is not obligated to defend the Authority or the owners of the Tax-Exempt Notes regarding the tax status of interest thereon in the event of an audit examination by the IRS. The

IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the Tax-Exempt Notes, under current IRS procedures, the IRS will treat the Authority as the taxpayer and the beneficial owners of the Tax-Exempt Notes will have only limited rights, if any, to obtain and participate in judicial review of such audit. Any action of the IRS, including but not limited to selection of the Tax-Exempt Notes for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market value of the Tax-Exempt Notes.

Prospective purchasers of the Tax-Exempt Notes at other than their original issuance, should consult their own tax advisers regarding other tax considerations such as the consequences of market discount, as to all of which Co-Bond Counsel expresses no opinion.

Risk of Future Legislative Changes and/or Court Decisions

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the District. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Tax-Exempt Notes. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Tax-Exempt Notes will not have an adverse effect on the tax status of interest on the Tax-Exempt Notes or the market value or marketability of the Tax-Exempt Notes. These adverse effects could result, for example, from changes to federal or District income tax rates, changes in the structure of federal or District income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Tax-Exempt Notes from gross income for federal or District income tax purposes for all or certain taxpayers.

For example, recent presidential and legislative proposals would eliminate, reduce or otherwise alter the tax benefits currently provided to certain owners of state and local government Tax-Exempt Notes, including proposals that would result in additional federal income tax on taxpayers that own tax-exempt obligations if their incomes exceed certain thresholds. Investors in the Tax-Exempt Notes should be aware that any such future legislative actions (including federal income tax reform) may retroactively change the treatment of all or a portion of the interest on the Tax-Exempt Notes for federal income tax purposes for all or certain taxpayers. In such event, the market value of the Tax-Exempt Notes may be adversely affected and the ability of holders to sell their Tax-Exempt Notes in the secondary market may be reduced. The Tax-Exempt Notes are not subject to special mandatory redemption, and the interest rates on the Tax-Exempt Notes are not subject to adjustment in the event of any such change.

Investors should consult their own financial and tax advisers to analyze the importance of these risks.

- Series C Notes. In the opinion of Squire Sanders (US) LLP and Leftwich & Ludaway, LLC, Co-Bond Counsel, under existing law, the Series C Notes (also referred to as the "Taxable Notes"), and the interest thereon are exempt from District taxation, except estate, inheritance and gift taxes. An opinion to those effects will be included in the legal opinion. Bond Counsel expresses no opinion as to any other tax consequences regarding the Taxable Notes. INTEREST

ON THE TAXABLE NOTES IS NOT EXCLUDED FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES. THE LEGAL DEFEASANCE OF THE TAXABLE NOTES MAY RESULT IN A DEEMED SALE OR EXCHANGE OF THE TAXABLE NOTES UNDER CERTAIN CIRCUMSTANCES; OWNERS OF THE TAXABLE NOTES SHOULD CONSULT THEIR TAX ADVISORS AS TO THE FEDERAL INCOME TAX CONSEQUENCES OF SUCH AN EVENT. PROSPECTIVE PURCHASERS OF THE TAXABLE NOTES SHOULD CONSULT WITH THEIR OWN TAX ADVISORS AS TO THE FEDERAL, STATE AND LOCAL, AND FOREIGN TAX CONSEQUENCES OF THEIR ACQUISITION, OWNERSHIP AND DISPOSITION OF THE TAXABLE NOTES.

The following discussion is generally limited to "U.S. owners," meaning beneficial owners of Taxable Notes that for United States federal income tax purposes are individual citizens or residents of the United States, corporations or other entities taxable as corporations created or organized in or under the laws of the United States or any state thereof (including the District), and certain estates or trusts with specific connections to the United States. ***Partnerships holding Taxable Notes, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the Taxable Notes (including their status as U.S. owners).***

Information Reporting and Backup Withholding

General information reporting requirements will apply to payments of principal and interest made on a Taxable Note and the proceeds of the sale of a Taxable Note to non-corporate holders of the Taxable Notes, and "backup withholding," currently at a rate of 28%, will apply to such payments if the owner fails to provide an accurate taxpayer identification number in the manner required or fails to report all interest required to be shown on its federal income tax returns. A beneficial owner of a Taxable Note that is a U.S. owner generally can obtain complete exemption from backup withholding by providing a properly completed IRS Form W-9 (Request for Taxpayer Identification Number and Certification).

Medicare Tax Affecting U.S. Owners

For taxable years beginning after December 31, 2012, a U.S. owner that is an individual or estate, or a trust not included in a special class of trusts that is exempt from such tax, is subject to a 3.8% Medicare tax on the lesser of (1) the U.S. owner's "net investment income" for the taxable year and (2) the excess of the U.S. owner's modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals is between $125,000 and $250,000, depending on the individual's circumstances). A U.S. owner's net investment income generally includes interest income on, and net gains from the disposition of, Taxable Notes, unless such interest income or net gains are derived in the ordinary course of a trade or business (other than a trade or business that consists of certain passive or trading activities). A U.S. owner that is an individual, estate, or trust, should consult its own tax advisor regarding the applicability of the Medicare tax.

Non-U.S. Owners

Under the Code, interest on any Taxable Note whose beneficial owner is not a U.S. owner is generally not subject to United States income tax or withholding tax (including backup withholding) if the non-U.S. owner provides the payor of interest on the Taxable Notes with an appropriate statement as to its status as a non-U.S. owner. This statement can be made on IRS Form W-8BEN or a successor form. If, however, the non-U.S. owner conducts a trade or business in the United States and the interest on the Taxable Notes held by the non-U.S. owner is effectively connected with such trade or business, that interest will be subject to United States income tax but will generally not be subject to United States withholding tax (including backup withholding). The foregoing is a brief summary of certain federal income tax consequences to a non-U.S. owner. ***Non-U.S. owners should consult their own tax advisors regarding the tax consequences of an investment in the Taxable Notes.***

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THE FOREGOING DISCUSSION WAS NOT INTENDED OR WRITTEN BY CO-BOND COUNSEL TO BE USED, AND IT CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON AN OWNER OF THE TAXABLE NOTES. THE FOREGOING DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TAXABLE NOTES. EACH PROSPECTIVE PURCHASER OF THE TAXABLE NOTES SHOULD SEEK ADVICE BASED ON THE PROSPECTIVE PURCHASER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Legal and Other Matters. Certain legal matters relating to the authorization and validity of the Notes were subject to the approving opinion of Squire Sanders (US) LLP and Leftwich & Ludaway, LLC, Co-Bond Counsel, which was furnished at the expense of the Authority upon delivery of each Series of Notes, in substantially the form set forth as Appendices A-1 and A-2 (collectively, the "Bond Opinion"). No Series B Notes have been issued prior to the date of this Offering Memorandum, therefore the Bond Opinion related to the Series B Notes will be rendered upon the first issuance of Series B Notes. The Bond Opinion is limited to matters relating to authorization and validity of the Notes, to the tax-exempt status of interest on the Tax-Exempt Notes as described in the section "Tax Status of Interest on the Notes" herein and to the exemption of the interest on the Taxable Notes from District taxation, except estate, inheritance and gift taxes. Co-Bond Counsel has not been engaged to investigate the financial resources of the Authority or its ability to provide for payment of the Notes, and the Bond Opinion makes no statement as to such matters or as to the accuracy or completeness of this Offering Memorandum or any other information that may have been relied on by individuals in making the decision to purchase the Notes.

Certain legal matters were passed upon for the Authority by the then General Counsel of the Authority, and for the Bank by its then counsel, Nixon Peabody LLP.

The Issuing and Paying Agent has not participated in the preparation of this Offering Memorandum and takes no responsibility for its content.

Ratings of the Notes as of April __, 2013:

Series A Notes and Series B Notes

	Moody's	S&P	Fitch, Inc.
Short Term	P-1	A-1	F1

Series C Notes

	Moody's	S&P	Fitch, Inc.
Short Term	P-1	A-1+	F1+

The ratings on the Notes from Moody's Investors Service, Standard and Poor's Ratings Group and Fitch, Inc. are based upon the availability of the Letters of Credit to provide credit enhancement for the Notes.

Miscellaneous. No attempt is made herein to summarize the Resolution, the Issuing and Paying Agency Agreement, the Letters of Credit and agreements with respect thereto, the opinion of Co-Bond Counsel, the financial condition or operations of the Authority, the terms and provisions of the Notes or other matters which may be material to a credit decision to purchase the Notes. Note purchasers are expected to conduct their own due diligence and analysis prior to making an investment decision. Copies of all relevant documents may be examined at the office of the Chief Financial Officer of the Authority during regular business hours. Copies of the Resolution, the Issuing and Paying Agency Agreement and Letters of Credit also are on file with the Issuing and Paying Agent for the Notes.

The Appendices are integral parts of this Offering Memorandum and must be read together with all other parts of this Offering Memorandum. So far as any statements made in this Offering Memorandum involve matters of opinion, whether or not expressly stated, they are set forth as such and not as representation of fact.

This Offering Memorandum shall be deemed to be amended, supplemented and reissued as of the latest date of any supplement hereto.

APPENDIX A-1

TEXT OF OPINION OF CO-BOND COUNSEL (TAXABLE)

_____ __, 20__

District of Columbia Water and Sewer Authority
5000 Overlook Avenue S.W.
Washington, D.C. 20032

We have examined the applicable law and certified copies of proceedings and documents relating to the issuance and sale by the District of Columbia Water and Sewer Authority (the Authority), of its Commercial Paper Notes, Series C (Taxable) (the Notes) authorized to be issued in a maximum principal amount of $75,000,000 at any time outstanding. The Notes are (i) secured by a Master Indenture of Trust dated as of April 1, 1998, as amended and supplemented to the date hereof, including, in particular, by an Eleventh Supplemental Indenture of Trust dated as of June 1, 2010 (collectively, the Indenture), each between the Authority and Wells Fargo Bank, N.A., as successor to Norwest Bank Minnesota, N.A., as trustee (the Trustee), and (2) issued and secured under an Issuing and Paying Agency Agreement dated as of June 1, 2010 (the Issuing and Paying Agency Agreement), between the Authority and Deutsche Bank Trust Company Americas, as Issuing and Paying Agent (the Issuing and Paying Agent). The Notes are secured by a subordinate lien on the Trust Estate (as defined in the Issuing and Paying Agency Agreement) and constitute Subordinate Debt under the Indenture, and also are secured by a lien on the Pledged Funds (as defined in the Issuing and Paying Agency Agreement). Capitalized terms used but not defined herein are used with the definitions assigned to them in the Indenture or the Issuing and Paying Agency Agreement.

The Authority has entered into a Reimbursement Agreement, dated as of June 1, 2010 (the Reimbursement Agreement), with U.S. Bank National Association (the Bank), pursuant to which a Letter of Credit relating to the Notes has been established. The principal of and interest on the Notes are payable from drawings made on the Letter of Credit. Any and all obligations of the Authority to reimburse the Bank for any drawings under the Letter of Credit and all obligations to repay the Bank for any Advance (as defined in the Reimbursement Agreement), including in each instance all interest accrued thereon, are referred to as Reimbursement Obligations.

Based on the foregoing, we are of the opinion that:

1. The Notes have been duly authorized and issued in accordance with the Act, and constitute valid and binding limited obligations of the Authority payable solely from (a) a subordinate lien on the Trust Estate to secure payment of the Notes, and (b) a lien on the Pledged Funds.

2. The Indenture has been duly authorized, executed and delivered by the Authority and, assuming the due authorization, execution and delivery

thereof by the Trustee, constitutes a valid and binding agreement of the Authority, pledges the Trust Estate, including the Net Revenues and moneys in certain funds and accounts created by the Indenture, on a subordinate basis, as security for payment of the principal of and interest on the Notes and for payment of the Reimbursement Obligations, and is enforceable against the Authority in accordance with its terms, subject to the exceptions set forth below.

3. The Issuing and Paying Agency Agreement has been duly authorized, executed and delivered by the Authority and, assuming the due authorization, execution and delivery thereof by the Issuing and Paying Agent, constitutes a valid and binding agreement of the Authority, pledges the Pledged Funds and moneys in certain funds and accounts created by the Issuing and Paying Agency Agreement, as security for payment of the principal of and interest on the Notes and for payment of the Reimbursement Obligations and, is enforceable against the Authority in accordance with its terms, subject to the exceptions set forth below.

4. The rights of the holders of the Notes and the Bank, and the enforceability of such rights, including the enforcement by the Trustee of the obligations of the Authority under the Indenture, and by Issuing and Paying Agent of the obligations of the Authority under the Issuing and Paying Agency Agreement, may be limited or otherwise affected by (a) bankruptcy, insolvency, reorganization, moratorium and other laws effecting the rights of creditors generally, and (b) principles of equity, whether considered at law or in equity.

5. The Notes and the interest thereon are exempt from District of Columbia taxation except estate, inheritance and gift taxes. We express no opinion as to any other tax consequences regarding the Notes.

We have assumed the due authorization, execution and delivery by, and the binding effect upon and enforceability against, the Trustee of the Indenture and against the Issuing and Paying Agent of the Issuing and Paying Agency Agreement.

Interest on the Notes is includable in the gross income of the holders thereof for federal income tax purposes. No attempt has been or will be made to comply with certain requirements of the Internal Revenue Code of 1986, as amended, relating to the exclusion from gross income for federal income tax purposes of interest on the Notes.

You may continue to rely upon this opinion as to Notes issued subsequent to the date of this opinion only to the extent that (i) subsequent to the date hereof, there is no change in existing law, regulation, or governmental agency guidance, or the interpretation of any of the foregoing; (ii) the Authority has complied with the covenants and conditions contained in the Indenture and the Issuing and Paying Agency Agreement; (iii) we have not issued a new opinion subsequent to the date hereof as to the matters addressed herein; and (iv) we have not expressly withdrawn this opinion as evidenced by written notice of such withdrawal to the Authority, the Trustee and the Issuing and Paying Agent.

This opinion is issued as of the date hereof, and we assume no obligation to (i) monitor or advise you or any other person of any changes in the foregoing subsequent to the delivery hereof; (ii) update, revise, supplement or withdraw this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law, regulation, or governmental agency guidance, or the interpretation of any of the foregoing, that may hereafter occur, or for any other reason whatsoever; or (iii) review any legal matters incident to the authorization, issuance, validity, and exemption from District income tax of the Notes, or the purposes to which the proceeds thereof are to be applied, after the date hereof.

TO COMPLY WITH U.S. TREASURY REGULATIONS, WE ADVISE YOU THAT THE FOREGOING DISCUSSION OF TAX MATTERS WAS NOT INTENDED OR WRITTEN TO BE USED, AND IT CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON AN OWNER OF THE NOTES. THE FOREGOING DISCUSSION OF TAX MATTERS WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE NOTES. EACH PROSPECTIVE PURCHASER OF THE NOTES SHOULD SEEK ADVICE BASED ON THE PROSPECTIVE PURCHASER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Respectfully submitted,

APPENDIX A-2

TEXT OF OPINION OF CO-BOND COUNSEL (TAX-EXEMPT)

_____ __, 20__

District of Columbia Water and Sewer Authority
5000 Overlook Avenue, S.W.
Washington, D.C. 20032

We have examined the applicable law and certified copies of proceedings and documents relating to the issuance and sale by the District of Columbia Water and Sewer Authority (the Authority), of its Commercial Paper Notes, [Series A] [Series B] (Tax-Exempt) (the Notes) authorized to be issued in a maximum principal amount of [$75,000,000] [$50,000,000] at any one time outstanding. The Notes are (i) secured by a Master Indenture of Trust dated as of April 1, 1998, as amended and supplemented to the date hereof, including, in particular, by an Eleventh Supplemental Indenture of Trust dated as of June 1, 2010 (collectively, the Indenture), each between the Authority and Wells Fargo Bank, N.A., as successor to Norwest Bank Minnesota, N.A., as trustee (the Trustee), and (2) issued and secured under an Issuing and Paying Agency Agreement dated as of June 1, 2010 (the Issuing and Paying Agency Agreement), between the Authority and Deutsche Bank Trust Company Americas, as Issuing and Paying Agent (the Issuing and Paying Agent). The Notes are secured by a subordinate lien on the Trust Estate (as defined in the Issuing and Paying Agency Agreement) and constitute Subordinate Debt under the Indenture, and also are secured by a lien on the Pledged Funds (as defined in the Issuing and Paying Agency Agreement). Capitalized terms used but not defined herein are used with the definitions assigned to them in the Indenture or the Issuing and Paying Agency Agreement.

The Authority has entered into a Reimbursement Agreement, dated as of June 1, 2010 (the Reimbursement Agreement), with U.S. Bank National Association (the Bank), pursuant to which a Letter of Credit relating to the Notes has been established. The principal of and interest on the Notes are payable from drawings made on the Letter of Credit. Any and all obligations of the Authority to reimburse the Bank for any drawings under the Letter of Credit and all obligations to repay the Bank for any Advance (as defined in the Reimbursement Agreement), including in each instance all interest accrued thereon, are referred to as Reimbursement Obligations.

Based on the foregoing, we are of the opinion that:

1. The Notes have been duly authorized and issued in accordance with the Act, and constitute valid and binding limited obligations of the Authority payable solely from (a) a subordinate lien on the Trust Estate to secure payment of the Notes, and (b) a lien on the Pledged Funds.

2. The Indenture has been duly authorized, executed and delivered by the Authority and, assuming the due authorization, execution and delivery

thereof by the Trustee, constitutes a valid and binding agreement of the Authority, pledges the Trust Estate, including the Net Revenues and moneys in certain funds and accounts created by the Indenture, on a subordinate basis, as security for payment of the principal of and interest on the Notes and for payment of the Reimbursement Obligations, and is enforceable against the Authority in accordance with its terms, subject to the exceptions set forth below.

3. The Issuing and Paying Agency Agreement has been duly authorized, executed and delivered by the Authority and, assuming the due authorization, execution and delivery thereof by the Issuing and Paying Agent, constitutes a valid and binding agreement of the Authority, pledges the Pledged Funds and moneys in certain funds and accounts created by the Issuing and Paying Agency Agreement, as security for payment of the principal of and interest on the Notes and for payment of the Reimbursement Obligations and, is enforceable against the Authority in accordance with its terms, subject to the exceptions set forth below.

4. The rights of the holders of the Notes and the Bank, and the enforceability of such rights, including the enforcement by the Trustee of the obligations of the Authority under the Indenture, and by Issuing and Paying Agent of the obligations of the Authority under the Issuing and Paying Agency Agreement, may be limited or otherwise affected by (a) bankruptcy, insolvency, reorganization, moratorium and other laws effecting the rights of creditors generally, and (b) principles of equity, whether considered at law or in equity.

5. Interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. The Notes and the interest thereon are exempt from all District of Columbia taxation except estate, inheritance and gift taxes. We express no opinion as to any other tax consequences regarding the Notes.

We have assumed the due authorization, execution and delivery by, and the binding effect upon and enforceability against, the Trustee of the Indenture and against the Issuing and Paying Agent of the Issuing and Paying Agency Agreement.

A portion of the interest on the Notes earned by certain corporations may be subject to a federal corporate alternative minimum tax, and interest on the Notes may be subject to a federal branch profits tax imposed on certain foreign corporations doing business in the United States and to a federal tax imposed on excess net passive income of certain S corporations.

In giving the foregoing opinion with respect to the treatment of the interest on the Notes and the status of the Notes under the federal tax laws, we have assumed and relied upon continuing compliance with the Authority's covenants and the accuracy, which we have not independently verified, of the Authority's representations and certifications, all as contained in the Transcript. The accuracy of those representations and certifications, and compliance by the Authority with those covenants, may be necessary for the interest to be and to remain excluded from gross income for federal income tax purposes and for the other federal tax effects stated above. Failure to comply with certain of those covenants subsequent to issuance could cause the interest on the Notes to be included in gross income for federal income tax purposes retroactively to its date of issuance.

You may continue to rely upon this opinion as to Notes issued subsequent to the date of this opinion only to the extent that (i) subsequent to the date hereof, there is no change in existing law, regulation, or governmental agency guidance, or the interpretation of any of the foregoing; (ii) the Authority has complied with the covenants and conditions contained in the Indenture and the Issuing and Paying Agency Agreement; (iii) we have not issued a new opinion subsequent to the date hereof as to the matters addressed herein; and (iv) we have not expressly withdrawn this opinion as evidenced by written notice of such withdrawal to the Authority, the Trustee and the Issuing and Paying Agent.

This opinion is issued as of the date hereof, and we assume no obligation to (i) monitor or advise you or any other person of any changes in the foregoing subsequent to the delivery hereof; (ii) update, revise, supplement or withdraw this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law, regulation, or governmental agency guidance, or the interpretation of any of the foregoing, that may hereafter occur, or for any other reason whatsoever; or (iii) review any legal matters incident to the authorization, issuance, validity, and exemption from District income tax of the Notes, or the purposes to which the proceeds thereof are to be applied, after the date hereof.

Respectfully submitted,

APPENDIX B

INFORMATION REGARDING DTC AND THE BOOK-ENTRY ONLY SYSTEM

The description that follows of the procedures and record keeping with respect to beneficial ownership interests in the Notes, payments of principal, premium, if any, and interest on the Notes to DTC, its nominee, Participants, defined below, or Beneficial Owners, confirmation and transfer of beneficial ownership interests in the Notes and other bond-related transactions by and between DTC, Participants and Beneficial Owners is based solely on information furnished by DTC.

General. The Depository Trust Company, New York, New York ("DTC") will act as securities depository for the Notes. The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully-registered Note will be issued for the Notes in the aggregate principal amount of each maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for such Notes on DTC's records. The ownership interest of each actual purchaser of each Note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchases. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of the Notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. will consent or vote with respect to the Notes. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Notes will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the payable date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name, and will be the responsibility of such Participant and not of DTC or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Authority, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Notes at any time by giving reasonable notice to the Authority or the Issuing and Paying Agent. Under such circumstances, in the event that a successor securities depository is not selected, Note certificates are required to be printed and delivered. The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Note certificates will be printed and delivered.

So long as Cede & Co. is the registered owner of the Notes, as nominee for DTC, references herein to Bondholders or registered owners of the Notes (other than under the caption "OTHER INFORMATION - Tax Status of Interest on the Notes") shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Notes.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they shall be sent by the Issuing and Paying Agent to DTC only.

NEITHER THE AUTHORITY NOR THE ISSUING AND PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, TO INDIRECT PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (i) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DTC PARTICIPANT, OR ANY INDIRECT PARTICIPANT; (ii) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE NOTES UNDER THE IMPLEMENTING RESOLUTION; (iii) THE SELECTION BY DTC OR ANY DTC PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE NOTES; (iv) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR REDEMPTION PREMIUM, IF ANY, OR INTEREST DUE WITH RESPECT TO THE NOTES; (v) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF NOTES; OR (vi) ANY OTHER MATTER.

Attachment 4G

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET

ACTION REQUESTED

GOODS AND SERVICES CONTRACT MODIFICATION

Commercial Paper Program – Letter of Credit (LOC)
(Joint Use)

Approval to execute a modification to extend the term of the LOC for a two (2) year period, in the amount of $1,704,223.00

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME	SUBS:	PARTICIPATION:
J.P. Morgan Chase Bank National Assn. 383 Madison Avenue, 8th Floor New York, NY 10179	N/A	N/A

DESCRIPTION AND PURPOSE

Original Contract Value	$1,631,250.00.
Original Contract Term	1096 Days (3 Years)
Original Contract Dates:	June 2, 2010 – May 31, 2013
This Contract Modification Term:	**784 Days (2.1778 Years) Extension**
This Contract Modification Value:	**$1,704,223.00**
This Contract Modification Dates:	**April 5, 2013 – May 29, 2015**

Purpose of the Contract:
The purpose of the contract is for the District of Columbia Water and Sewer (DC Water) Commercial Paper Program.

Contract Scope:
The LOC for the Commercial Paper Program provides:

- A direct pay letter of credit issued by the bank in support of DC Water's Commercial Paper Program for a period of up to three (3) years.
- The proceeds from the sale of the Commercial Paper Notes will be used to finance costs incurred in connection with the construction of capital improvements to the wastewater collection, treatment and disposal system and the water system.
- The Notes shall be issued pursuant to the Issuing and Paying Agent Agreement and distributed by the authorized dealers.

Purpose of Contract Modification:
The purpose of the modification is to extend the term on the LOC for the Commercial Paper Program, in the amount of $125,000,000.00, with favorable terms and pricing.

Note:
Through renegotiation, DC Water has obtained favorable terms and pricing from the incumbent that provide:

- Significant savings from reduced rates;
- An efficient means of obtaining a liquidity facility for the commercial paper program;
- Reduced legal costs; and
- Limited review by bond rating agencies.

Contractor's Past Performance:
The Contractor has been the incumbent since June 2010 and has provided satisfactory services.

PROCUREMENT INFORMATION

Contract Type:	Unit Price	**Award Based On:**	Highest Scored Firms
Commodity:	Services	**Contract Number:**	WAS-07-007-AA-JS
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Operations	**Department:**	Office of the Chief Financial Officer – Debt Service
Project Area:	DC Water-Wide	**Department Head:**	Mark Kim

USER SHARE INFORMATION

	Share %	Dollar Amount
District of Columbia	100%	$1,704,223.00
Washington Suburban Sanitary Commission	0%	
Fairfax County	0%	
Loudoun County	0%	
Other(s)	0%	
Total Estimated Dollar Amount	**100%**	$1,704,223.00

_____ / 3/22/13
Katy Chang Date
Acting Procurement Director

_____ / 3/28/13
For: Yvette Downs Date
Director, Finance and Budget

_____ / 3/22/13
Mark Kim Date
Chief Finance Officer

_____ / _____
George S. Hawkins Date
General Manager

Attachment 4H

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET

ACTION REQUESTED

GOODS AND SERVICES CONTRACT MODIFICATION

Commercial Paper Program – Letter of Credit (LOC) (Joint Use)

Approval to execute a modification to extend the term of the LOC for a two (2) year period, in the amount of $934,675.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
U.S. Bank National Association 461 Fifth Avenue, 15th Floor New York, NY 10017	N/A	N/A

DESCRIPTION AND PURPOSE

Original Contract Value	$1,631,250.00.
Original Contract Term	1096 Days (3 Years)
Original Contract Dates:	June 2, 2010 – May 31, 2013
This Contract Modification Term:	**784 Days (2.1778 Years) Extension**
This Contract Modification Value:	**$934,675.00**
This Contract Modification Dates:	**April 5, 2013 – May 29, 2015**

Purpose of the Contract:
The purpose of the contract is for the District of Columbia Water and Sewer (DC Water) Commercial Paper Program.

Contract Scope:
The LOC for the Commercial Paper Program provides:
- A direct pay letter of credit issued by the bank in support of DC Water's Commercial Paper Program for a period of up to three (3) years.
- The proceeds from the sale of the Commercial Paper Notes will be used to finance costs incurred in connection with the construction of capital improvements to the wastewater collection, treatment and disposal system and the water system.
- The Notes shall be issued pursuant to the Issuing and Paying Agent Agreement and distributed by the Dealers.

Purpose of Contract Modification:
The purpose of the modification is to extend the term on the LOC for the Commercial Paper Program, in the amount of $75,000,000.00, with favorable terms and pricing.

Note:
Through renegotiation, DC Water has obtained favorable terms and pricing from the incumbent that provide:
- Significant savings from reduced rates;
- An efficient means of obtaining a liquidity facility for the commercial paper program;
- Reduced legal costs; and
- Limited review by bond rating agencies.

Contractor's Past Performance:
The Contractor has been the incumbent since June 2010 and has provided satisfactory services.

PROCUREMENT INFORMATION

Contract Type:	Unit Price	**Award Based On:**	Highest Scored Firms
Commodity:	Services	**Contract Number:**	WAS-07-007-AA-JS
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Operations	**Department:**	Office of the Chief Financial Officer - Debt Service
Project Area:	DC Water-Wide	**Department Head:**	Mark Kim

USER SHARE INFORMATION

	Share %	Dollar Amount
District of Columbia	100%	$934,675.00
Washington Suburban Sanitary Commission	0%	
Fairfax County	0%	
Loudoun County	0%	
Other(s)	0%	
Total Estimated Dollar Amount	**100%**	$934,675.00

_________________ / 3/22/13
Katy Chang Date
Acting Procurement Director

for _________________ / 3/22/13
Yvette Downs Date
Director, Finance and Budget

_________________ / 3/22/13
Mark Kim Date
Chief Finance Officer

_________________ / ______
George S. Hawkins Date
General Manager

ATTACHMENT 5

FINANCE & BUDGET COMMITTEE

Recommendation of Selection of Investment Banking Service/Underwriting Pool

The Board will be asked to approve a resolution to approve a selection of a pool of underwriters. The pool will include five senior managers and ten co-managers for a period of up to five years, to provide investment banking/underwriting services on a negotiated basis for DC Water bond issuances in support of the capital improvement program.

Attached is a summary of the selection process and recommended pool of underwriters.

INVESTMENT BANKING TEAM REQUEST FOR QUALIFICATIONS (RFQ) AND SELECTION

DC Water Staff recently completed the evaluation and selection process for investment banking services. DC Water distributed a request for qualifications and advertised the RFQ in The Washington Post, The Bond Buyer newspaper as well as the DC Water website. We received responses from 33 firms and 31 firms were deemed qualified.

Our goal is to establish a team of underwriters that will include a mix of strong national, regional, and minority firms. After evaluating our financing needs and issuance experience to date, a team composed of five senior book-running managers and ten co-managers will be selected. Participation by each senior book running manager and co-managers would rotate for each transaction; not all co-managers are expected to be used for each transaction.

The evaluation panel consisted of the Chief Financial Officer, Controller, Director of Finance and Budget, Manager, Treasury and Debt, and Senior Financial Analyst for Treasury and Debt. A Procurement Officer served as a non-voting member of the evaluation panel. DC Water's financial advisors and consultant also served as non-voting members of the panel and assisted DC Water with development of the RFQ and provided technical assistance and advice during the evaluation process.

After evaluation of all proposals, DC Water conducted interviews with the fourteen highest ranked firms to serve as senior managers and ranking of the other firms based on their proposals to serve as senior or co-managers. The evaluation panel's final recommended teams include fifteen firms, with five senior book-running managers and ten co-managers:

Senior Managers

Bank of America
Barclays
Goldman Sachs
Ramirez & Co. - Minority
Loop Capital - Minority

Co-Managers

Jeffries
Lebenthal - Minority
Morgan Stanley
Raymond James
Seibert, Brandford and Shank - Minority
TD Securities
U.S. Bank
Wells Fargo
Fidelity
J. P. Morgan

A key factor in the evaluation and selection process was pricing and fees. Traditionally, underwriters are compensated on a per bond issued basis and no compensation is paid until a financing is closed. The pricing proposals received by DC Water from all firms responding for senior manager ranged from $1.00 to $3.81 per $1,000 bond. The offerors quote price will remain fixed for the initial transaction expected in 2013. The firm selected to be the senior manager will be required to submit pricing for each subsequent transaction. Final determination of pricing would be negotiated at the time of the financing based on then-current market conditions. The pricing provided in the proposals is in line with current market conditions and pricing on recent comparable transactions.

Attachment 6

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET

ACTION REQUESTED

GOODS AND SERVICES CONTRACT

Independent Risk Management Consulting Services

(Joint Use- Indirect Cost)

Approval to execute a contract for a base period of one (1) year with up to four (4) one-year options in the amount of $2,332,250.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Albert Risk Management Consultants 72 River Part Needham, MA 02494	N/A	N/A

DESCRIPTION AND PURPOSE

Base Year Contract Value:	$447,050.00
Contract Base Period:	365 days (1 year)
Number of Option Years:	4
Anticipated Contract Start Date:	05-01-2013
Anticipated Contract Completion Date:	04-30-2018
Proposal Closing Date:	12-06-2012
Proposals Received:	3
Proposal Range:	$1,536,000 – $2,332,250
Preference Points Received:	0

Purpose of the Contract:

The purpose of the contract is to provide independent risk management consulting services for the District of Columbia Water and Sewer Authority's (DC Water) Risk Management Department. The contract will provide services that include but are not limited to claims/risk analyses, coverage assessments, compliance and insurance renewal, policy reviews, and project management of Rolling Owner Controlled Insurance Programs (ROCIPs) I, II, and III.

Note: The cost for the base year is $447,050. The cumulative costs for option years one (1) through four (4) are $1,885,200.

The procurement method utilized was a Request for Proposal (RFP). The award recommendation is to award the contract to Albert Risk Management Consultants, the highest rated offeror of all firms. The names of all firms submitting technically acceptable proposals are listed below.

Proposals Received:
Albert Risk Management Consultants
Bickmore
Insurance Buyers' Council, Inc.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price Hourly Rates with Cost Reimbursements	**Award Based On:**	Highest Rating
Commodity:	Goods & Services	**Contract Number:**	WAS-13-009-AA-SS
Contractor Market:	Open Market with preference points for LBE/LSBE participation		

BUDGET INFORMATION

Funding:	Operating and Capital	**Department:**	OCFO - Risk Management
Service Area:	DC Water Wide	**Department Head:**	Mark Kim

ESTIMATED USER SHARE INFORMATION

User - Operating	Share % *	Dollar Amount
District of Columbia	81.85%	$572,683.99
Washington Suburban Sanitary Commission	13.24%	$92,636.97
Fairfax County	3.37%	$23,579.05
Loudoun County	1.33%	$9,305.68
Potomac Interceptor	.21%	$1,469.32
Total Estimated Dollar Amount	**100.00%**	**$699,675.00**

District of Columbia	41.22%	$672,947.41
Washington Suburban Sanitary Commission	45.84%	$748,372.38
Fairfax County	8.38%	$136,809.79
Loudoun County	3.73%	$60,895.05
Potomac Interceptor	.83%	$13,550.37
Total Estimated Dollar Amount	**100.00%**	**$1,632,575.00**

*Actual amounts will be reconciled and billed to customers accordingly.

/ 3/22/13

Katy Chang Date

Acting Procurement Director

for 3/22/13

Yvette Downs Date

Director, Finance and Budget

/ 3/25/13

Mark Kim Date

Chief Financial Officer

/

George S. Hawkins Date

General Manager

ATTACHMENT 7

D.C. WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS
FINANCE & BUDGET
APRIL COMMITTEE MEETING

Thursday, April 25, 2013; 11:00 a.m.
Blue Plains Wastewater Treatment Plant
5000 Overlook Avenue, SW, DC
AGENDA

Call to Order	Chairman
March 2013 Financial Report	Director of Finance & Budget
Action Items	Chairman
Agenda for May Committee Meeting	Chairman
Adjournment	Chairman

*Detailed agenda can be found on DC Water's website at www.dcwater.com/about/board_agendas.cfm