

PENNICHUCK WATER SPECIAL COMMITTEE

JULY 15, 2020

7:00 PM

Call in Number: 978-990-5298 Access Code: 273974

If there is a problem with the audio, please dial 603-821-2049 to advise.

ROLL CALL

COMMUNICATIONS

UNFINISHED BUSINESS

NEW BUSINESS – RESOLUTIONS

R-20-039

Endorsers: Alderman-at-Large Lori Wilshire
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman-at-Large David C. Tencza
Alderman Richard A. Dowd

**AUTHORIZING PENNICHUCK CORPORATION AND PENNICHUCK WATER WORKS, INC. TO
ISSUE TAXABLE BONDS OF UP TO \$75,000,000**

R-20-043

Endorsers: Alderman-at-Large Lori Wilshire
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman Richard A. Dowd
Alderman Patricia Klee
Alderman-at-Large David C. Tencza
Alderman Linda Harriott-Gathright
Alderman Thomas Lopez
Alderman Brandon Michael Laws

**AUTHORIZING PENNICHUCK CORPORATION AND PENNICHUCK EAST UTILITY, INC. TO
ENTER INTO A TERM LOAN AND RENEW A FIXED ASSET LINE OF CREDIT WITH COBANK,
ACB**

NEW BUSINESS – ORDINANCES

REMARKS BY THE ALDERMEN

POSSIBLE NON-PUBLIC SESSION

ADJOURNMENT



RESOLUTION

AUTHORIZING PENNICHUCK CORPORATION AND PENNICHUCK WATER WORKS, INC. TO ISSUE TAXABLE BONDS OF UP TO \$75,000,000

CITY OF NASHUA

In the Year Two Thousand and Twenty

WHEREAS, the City of Nashua is the sole shareholder of Pennichuck Corporation (“Pennichuck”) and each of its subsidiaries;

WHEREAS, Article IX (3) of the Articles of Incorporation of Pennichuck and Article V §2 of the by-laws of Pennichuck require the approval of the sole shareholder (the City of Nashua) for Pennichuck to create, incur, assume, or guarantee any indebtedness for borrowed money, which includes contracting a loan on behalf of Pennichuck or its subsidiaries; and

WHEREAS, Pennichuck Water Works, Inc. is a regulated New Hampshire public water utility, and is a wholly owned subsidiary of Pennichuck which, in turn, is wholly owned by the City of Nashua.

NOW, THEREFORE, BE IT RESOLVED by the Board of Aldermen of the City of Nashua that the City approves the borrowing by Pennichuck Water Works, Inc. of up to \$75,000,000 of issuance of taxable bonds to finance and refinance currently outstanding debts of approximately \$58,500,000, finance monies to refill its MOERR RSF for \$5,500,000, and to fund the cost of issuance and any escrow deposits amounts required and any allowance needed for the issuance of the bonds at a premium, should that be required.

LEGISLATIVE YEAR 2020

RESOLUTION: R-20-039

PURPOSE: Authorizing Pennichuck Corporation and Pennichuck Water Works, Inc. to issue taxable bonds of up to \$75,000,000

ENDORSERS: Alderman-at-Large Lori Wilshire
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman-at-Large David C. Tencza
Alderman Richard A. Dowd

COMMITTEE ASSIGNMENT: Budget Review Committee (referred to Pennichuck Special Water Committee 6-9-2020)

FISCAL NOTE: None.

ANALYSIS

This resolution approves the proposal by Pennichuck Corporation and one of their regulated public water subsidiaries to issue up to \$75,000,000 in taxable bonds as described in the resolution.

We have forwarded additional information provided by Pennichuck on the proposal to the Board of Aldermen.

Article IX (3) of Pennichuck Corporation's Articles of Incorporation and Article V §2 of the Pennichuck Corporation's by-laws requires City approval for the borrowing.

Approved as to form: Office of Corporation Counsel

By: /s/ Dorothy Clarke

Date: May 20, 2020



RESOLUTION

AUTHORIZING PENNICHUCK CORPORATION AND PENNICHUCK EAST UTILITY, INC. TO ENTER INTO A TERM LOAN AND RENEW A FIXED ASSET LINE OF CREDIT WITH COBANK, ACB

CITY OF NASHUA

In the Year Two Thousand and Twenty

WHEREAS, the City of Nashua is the sole shareholder of Pennichuck Corporation (“Pennichuck”) and each of its subsidiaries;

WHEREAS, Article IX (3) of the Articles of Incorporation of Pennichuck and Article V §2 of the by-laws of Pennichuck require the approval of the sole shareholder (the City of Nashua) for Pennichuck to create, incur, assume, or guarantee any indebtedness for borrowed money, which includes contracting a loan on behalf of Pennichuck or its subsidiaries; and

WHEREAS, Pennichuck East Utility, Inc. is a regulated New Hampshire public water utility, and is a wholly owned subsidiary of Pennichuck which, in turn, is wholly owned by the City of Nashua.

NOW, THEREFORE, BE IT RESOLVED by the Board of Aldermen of the City of Nashua that the City approves (1) the loan to Pennichuck East Utility, Inc. from CoBank, ACB, in an amount of \$803,275, with a 25-year amortization schedule; (2) the guarantee by Pennichuck Corporation of the payment by Pennichuck East Utility, Inc. of said loan; and (3) the renewal of the fixed asset line of credit for Pennichuck East Utility, Inc. with CoBank, ACB, at a facility level of \$3 million for a period of three years.

LEGISLATIVE YEAR 2020

RESOLUTION: R-20-043

PURPOSE: Authorizing Pennichuck Corporation and Pennichuck East Utility, Inc. to enter into a term loan and renew a fixed asset line of credit with CoBank, ACB

ENDORSERS: Alderman-at-Large Lori Wilshire
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman Richard A. Dowd
Alderman Patricia Klee
Alderman-at-Large David C. Tencza
Alderman Linda Harriott-Gathright
Alderman Thomas Lopez
Alderman-at-Large Brandon Michael Laws

**COMMITTEE
ASSIGNMENT:** Pennichuck Special Water Committee

FISCAL NOTE: None.

ANALYSIS

This resolution approves the proposal by Pennichuck Corporation and one of their regulated public water subsidiaries to enter into a term loan and renew a fixed asset letter of credit as described in the resolution.

We have forwarded additional information provided by Pennichuck on the proposal to the Board of Aldermen.

Article IX (3) of Pennichuck Corporation's Articles of Incorporation and Article V §2 of the Pennichuck Corporation's by-laws requires City approval for the borrowing.

Approved as to form: Office of Corporation Counsel

By: Maureen Clarke

Date: June 3, 2020