



RESOLUTION

AUTHORIZING THE MAYOR AND CITY TREASURER TO ISSUE BONDS NOT TO EXCEED THE AMOUNT OF SIX MILLION TWO HUNDRED THOUSAND DOLLARS (\$6,200,000) FOR VARIOUS IMPROVEMENTS TO THE JACKSON MILLS AND MINE FALLS HYDROELECTRIC FACILITIES

CITY OF NASHUA

In the Year Two Thousand and Nineteen

RESOLVED by the Board of Aldermen of the City of Nashua that the Mayor of the City of Nashua and the City Treasurer of the City of Nashua are hereby authorized to issue and sell general obligation bonds of the City in an aggregate principal not to exceed six million two hundred thousand dollars (\$6,200,000). The proceeds of said bonds shall be used for various improvements to the Jackson Mills and Mine Falls Hydroelectric Facilities. The useful lives of the projects are twenty years.

<u>Project</u>	<u>Amount to be borrowed</u>	<u>Useful Life</u>
Jackson Mills Hydroelectric Facility Improvements	\$ 4,200,000	20 Years
Mine Falls Hydroelectric Facility Improvements	<u>\$ 2,000,000</u>	20 Years
Total:	\$ 6,200,000	

The amounts indicated above for each project are estimates and the Mayor may allocate more funds to one project, and less to the other, so long as, in the judgment of the Mayor, both projects described above can be completed within the total appropriation authorized by this Resolution.

Pursuant to Nashua City Charter §54-a, this resolution requires a “duly advertised public hearing.” Also see N.H. RSA 33:9, which requires a 2/3 vote of all the members for passage of this resolution.

The bonds shall be general obligations of the City of Nashua, payable as to principal and interest from ad valorem taxes, which will be levied without limitation as to rate or amount on all taxable property within the territorial limits of the City of Nashua.

The bonds shall bear the manual or facsimile signature of the City Treasurer and the Mayor. In accordance with Chapter 91 of the New Hampshire Acts of 2005, bonds issued

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pursuant to this resolution shall not require an authenticating certificate of a bank or trust company doing business in the State of New Hampshire or The Commonwealth of Massachusetts, or the Commissioner of Revenue Administration.

The bonds are to be issued in fully-registered form by means of a book-entry system or otherwise and shall have such terms and conditions and be in such form, subject to the provisions of this resolution and applicable law, as shall be determined by the Mayor and the City Treasurer.

RESOLVED FURTHER, that the Mayor is authorized to enter into the required contracts therefore as well as any amendments to be made thereto or any other documentation necessary for the receipt of said funds.

LEGISLATIVE YEAR 2019

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PURPOSE:

Authorizing the Mayor and City Treasurer to issue bonds not to exceed the amount of six million two hundred thousand dollars (\$6,200,000) for various improvements to the Jackson Mills and Mine Falls Hydroelectric Facilities

SPONSOR(S):

Mayor Jim Donchess

**COMMITTEE
ASSIGNMENT:**

FISCAL NOTE:

The bond would be sold in FY 20/21. Said bond will be for a 20 year term in the amount of \$6,200,000. It is estimated the interest rate will be approximately 3.5% and the total cost of the bond over the 20 years will be \$8,478,500 including interest. The initial payment will be approximately \$527,000, and the average annual payment will be approximately \$423,925, with payments planned to begin in FY 21/22.

ANALYSIS

This resolution authorizes the Mayor and the City Treasurer of the City of Nashua to issue and sell general obligation bonds of the City in an aggregate principal amount not to exceed \$6,200,000. Funds from the bond will support major repairs and improvements and turbine replacement at Jackson Mills, and major turbine repairs and relicensing efforts at Mine Falls. The useful life of the projects exceeds 20 years.

At Jackson Mills, the existing 35-year old turbine continues to operate; however, the turbine was down for three months in FY19 and nearly six months in FY18 for major repairs. In anticipation of future failures, the City has been working with Essex Power Services and HL Turner investigating options for turbine replacement which will provide for sustainable, predictable, and cost-effective power production and energy generation. Continued work with federal and state agencies relative to fish and eel passage will also require improvements to aging infrastructure.

Currently, one of the two turbines at Mine Falls is inoperable and is being evaluated for repairs. While the turbine is out of service, repairs and upgrades that can only be performed when the turbine is down will be completed. In addition, the City, the licensee of the Mine Falls

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hydroelectric project, has filed with the Federal Energy Regulatory Commission (FERC) a pre-application document (PAD) to initiate the relicensing process for the facility.

Pursuant to Nashua City Charter §54-a, this resolution requires a “duly advertised public hearing”. Also see NH RSA 33:9, which requires a 2/3 vote “of all the members” for passage of this resolution.

Approved as to account structure, numbers and amount:

Financial Services Division

By:

Rosemarie Crandall

Approved as to form:

Office of Corporation Counsel

By:

Dorothy Clarke

Date:

May 21, 2019