

R-22-018



RESOLUTION

AUTHORIZING PENNICHUCK CORPORATION AND PENNICHUCK EAST UTILITY, INC. TO BORROW FUNDS AND ACCEPT A GRANT FROM THE STATE OF NEW HAMPSHIRE DRINKING WATER AND GROUNDWATER TRUST FUND

CITY OF NASHUA

In the Year Two Thousand and Twenty-Two

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

WHEREAS, Article IX (3) of the Articles of Incorporation of Pennichuck Corporation and Article V §2 of the by-laws of Pennichuck Corporation 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 the Corporation; and

WHEREAS, Pennichuck East Utility, Inc. is a regulated New Hampshire public water utility corporation providing retail water service to New Hampshire customers, and is a wholly owned subsidiary of Pennichuck Corporation 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 loan to Pennichuck East Utility, Inc. from the New Hampshire Drinking Water and Groundwater Trust Fund, of up to \$493,500 with a 25-year amortization schedule; and

FURTHER RESOLVED by the Board of Aldermen of the City of Nashua that the City approves the acceptance of a grant to Pennichuck East Utility, Inc. from the New Hampshire Drinking Water and Groundwater Trust fund, of up to \$211,500.

LEGISLATIVE YEAR 2022

RESOLUTION: R-22-018

PURPOSE: Authorizing Pennichuck Corporation and Pennichuck East Utility, Inc., to borrow funds and accept a grant from the State of New Hampshire Drinking Water and Groundwater Trust Fund

ENDORSERS: Alderman Patricia Klee

COMMITTEE ASSIGNMENT: Pennichuck Water Special Committee

FISCAL NOTE: None.

ANALYSIS

This resolution approves the proposal by Pennichuck Corporation and one of their regulated public water subsidiaries to obtain a loan and grant from the State of New Hampshire Drinking Water and Groundwater Trust Fund.

Pennichuck has provided additional information on the proposal, which has been forwarded 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: 

Date: 11 March 2022