

R-23-109



RESOLUTION

AUTHORIZING PENNICHUCK CORPORATION AND PENNICHUCK WATER WORKS, INC. TO RENEW ITS FIXED ASSET LINE OF CREDIT WITH TD BANK, N.A.

CITY OF NASHUA

In the Year Two Thousand and Twenty-Three

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. (“PWW”) 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 allowing PWW to enter into a renewal of its Fixed Asset Line of Credit with TD Bank, N.A., allowing for annual borrowings of up to \$12.0 million, pursuant to a security interest in PWW’s accounts receivable and inventory, and pledge of the stock of PWW and an assignment of its rights under the Money Pool Agreement and Cost Sharing Agreement (both as previously approved and in place under the oversight of the NHPUC), for the purpose of providing advances to be used for interim capital projects funding.