

PENNICHUCK CORPORATION

BOARD OF DIRECTORS
MINUTES OF MARCH 17, 2020 SPECIAL TELEPHONIC MEETING

A special telephonic meeting of the Board of Directors of Pennichuck Corporation (the “Company”) was held on Tuesday, March 17, 2020 at 4:45 p.m.

Written materials relating to items listed in the Agenda were provided to the Board members for their review prior to the meeting.

The following Directors were present by telephone for the meeting, constituting a quorum:

Thomas J. Leonard, Chairman
C. George Bower
James P. Dore
Elizabeth A. Dunn
Stephen D. Genest
Jay N. Lustig
John D. McGrath
Deborah Novotny
Preston J. Stanley, Jr.

Attending the meeting by telephone from the Company were:

Larry D. Goodhue, Chief Executive Officer
Suzanne L. Ansara, Corporate Secretary

S. Ansara recorded the minutes of the meeting.

The special telephonic meeting was called by the Company’s Chief Executive Officer. He indicated that due to the COVID-19 Virus, it was determined to hold the meeting by telephone for the safety of the Board members and management.

The Corporate Secretary called in from the Company’s headquarters in case anyone from the public arrived. No one from the public attended.

Bond Financing

L. Goodhue reported that he received a call from Ike Papadopoulos of Ziegler, the Company’s investment bankers, who reported that on March 16 the municipal tax-exempt bond market had spiked upwards by nearly 100 bps and that the demand for municipal debt has dried up. Consequently, the Company’s plan to issue bonds in early April for PWW’s 2019 capital expenditures may not happen.

L. Goodhue said that in order to pay off the Fixed Asset Line of Credit for its annual required cleanout, the bonds must be issued before April 30 or the Company would be in default. He is working with TD Bank to obtain an extension. If the FALOC is not paid off, the Kessler Farm project scheduled for 2020 would be in jeopardy.

L. Goodhue said that he has reviewed his testimony, petition and PUC order relating to the \$32.5 million financing plan approved in 2018 and found that authority was given to issue tax-exempt and taxable bonds or bond anticipation notes (BANS). Rath Young also reviewed the documents and confirmed that the Company has the authority to issue BANS under the financing plan. BANS are short-term notes issued in anticipation of the issuance of larger bonds in the future. L. Goodhue indicated that he discussed the possibility of issuing BANS with Ike and Ike confirmed that Ziegler could work with the Company in issuing BANS for a period of time with a call feature.

L. Goodhue said that the BANS could be used to pay off the FALOC. The 2020 bond issuance could then be aggregated with the debt restructuring issuance planned for August as a separate series. He indicated that he is looking to the Board for their approval of this course of action if needed.

L. Goodhue answered several questions from the Board regarding the issuance of BANS and the current bond market. The Board had consensus on the possibility of issuing BANS if the need arises in view of the emerging circumstances with the bond market.

COVID-19 Virus

L. Goodhue informed the Board regarding the Company's response to the COVID-19 virus and the CDC's recommendations for safe practices. He referred the Committee to two emails issued by the Company to employees during the month regarding actions to be taken by the Company. A copy of the emails were included in the written materials to the Board.

L. Goodhue reviewed the following actions already put in place or to be taken by the Company:

- Any employee who feels ill or has a fever has been instructed to stay home. Employees have also been instructed to quarantine at home if they or a family member has been diagnosed with the virus or if they have recently returned from a trip.
- Most departments will begin to either work from home or will be breaking into teams and alternating weeks in the office. The Customer Service department has provided the customer reps with laptops and headphones for use at home. The CEO and the COO are alternating weeks in the office. There are no in person meetings being held.
- The Distribution department will be changing how they work in the field and how their daily work schedules are distributed to limit exposure. Flushing will begin in early April at night so that contact with anyone in the public will be very limited. All customer appointments have been cancelled unless absolutely necessary. Employees entering any homes are required to wear full PPE. No shut offs will be performed at this time.

- The Water Treatment Plant will continue with sampling as required by the NHDES.
- L. Goodhue indicated that there are a number of employees who do not use direct deposit for their paychecks. The Company is attempting to have those employees switch to direct deposit if possible. Accounts Payable will be processed every two weeks.
- The Company has distributed disinfectant wipes and sprays to each building for use by employees. A cleaning company comes in regularly and thoroughly cleans the offices and kitchen areas.

L. Goodhue said that the Company is doing everything it can to protect its work force and customers. The Board commended management for their quick response to the COVID-19 virus.

Meetings

L. Goodhue indicated that for the safety of the Board Members and Company employees, going forward all Board and Board Committee meetings will be held by telephone. The right-to-know laws were discussed as they pertain to the public's access to the meetings.

There being no further business to come before the Board, the meeting was adjourned at 5:35 p.m.

/s/ Suzanne L. Ansara

Suzanne L. Ansara
Corporate Secretary