

PENNICHUCK WATER WORKS, INC.

BOARD OF DIRECTORS
MINUTES OF AUGUST 23, 2019 NON-PUBLIC SESSION

A non-public session of the Board of Directors of Pennichuck Water Works, Inc. (the “Company”) was held on Friday, August 23, 2019 at 11:10 a.m. at the Company’s offices at 25 Manchester Street, Merrimack, New Hampshire.

Written materials relating to items listed in the Agenda were provided to the Board members for their review prior to the non-public session.

The following Directors were present:

Thomas J. Leonard, Chairman
David P. Bernier (telephonically)
C. George Bower
James P. Dore
Elizabeth A. Dunn
Stephen D. Genest
John D. McGrath
John M. Murphy
Deborah Novotny
Preston J. Stanley, Jr.

Also attending the meeting from the Company were:

Larry D. Goodhue, Chief Executive Officer
Donald L. Ware, Chief Operating Officer
Mary V. DeRoche, HR Director
Suzanne L. Ansara, Corporate Secretary
George Torres, Corporate Controller
Carol Ann Howe, Assistant Treasurer
Steven Greenwood, IT Director
Christopher Countie, Director, Water Supply and Community Systems
John Boisvert, Chief Engineer
Tara King, Revenue and Customer Operations Manager

Land Owned on Back River Road, Bedford, NH

L. Goodhue indicated that management is looking for authority from the Board to market and sell vacant land owned by the Company on Back River Road in Bedford, NH that is no longer needed. A discussion ensued.

On motion duly made by S. Genest and seconded by E. Dunn, all of the Directors present then voting, it was unanimously

Resolved: that the Board of Directors hereby authorizes the management of Pennichuck Water Works, Inc. (the “Company”) to market and sell the land owned by the Company located on Back River Road, Bedford, NH, and identified as Tax Map 34, Lot 36, at fair market value.

Further

Resolved: that Larry D. Goodhue, Chief Executive Officer of the Company and Donald L. Ware, Chief Operating Officer of the Company, are severally authorized and directed to take such actions and to execute and deliver such documents as either of them, in their sole discretion, may deem necessary, proper or advisable to effectuate the sale of said land, the taking of any such actions and the execution and delivery of any such documents shall be conclusive evidence that the same are within the authority conferred by these resolutions.

Land Owned on Sebbins Pond Drive, Bedford, NH

L. Goodhue indicated that a purchase and sale agreement has been entered into to sell vacant land owned by the Company on Sebbins Pond Drive in Bedford, NH. The purchase and sale agreement is contingent upon approval by the Board of Directors. The sale price for the land is \$215,000. A discussion ensued.

On motion duly made by S. Genest and seconded by E. Dunn, all of the Directors present then voting, it was unanimously

Resolved: that the Board of Directors hereby approves the sale by Pennichuck Water Works, Inc. (the “Company”) of a parcel of land located at Sebbins Pond Drive in Bedford, New Hampshire and identified as Tax Map 34, Lot 28, to Richard C. Dumont, Jr. (“Buyer”), for a sale price of \$215,000.00; and that the Purchase and Sales Agreement dated July 29, 2019 between the Company and Buyer, a copy of which was presented at this meeting, is hereby approved.

Further

Resolved: that Larry D. Goodhue, Chief Executive Officer of the Company and Donald L. Ware, Chief Operating Officer of the Company, are severally authorized and directed to take such actions and to execute and deliver such documents as either of them, in their sole discretion, may deem necessary, proper or advisable to effectuate the sale of said land, the taking of any such actions and the execution and delivery of any such documents shall be conclusive evidence that the same are within the authority conferred by these resolutions.

Potential New Corporate Headquarters, Walnut Street, Nashua

L. Goodhue presented updated drawings of the proposed new corporate headquarters on Walnut Street in Nashua (exterior and interior). The Board members provided their comments.

L. Goodhue then referred the Board to the draft Lease for the Walnut Street property, a copy of which was included in the written materials to the Board. He also handed out to the Board a memorandum from the Company's attorneys, Rath, Young & Pignatelli, which summarized important items in the draft Lease. L. Goodhue indicated that the Lease would be for a 15-year term with three 5-year extensions. He reviewed the lease costs over the term of the lease. He said that the Company would be responsible for the cost of utilities, insurance and property taxes. The Company will also be responsible for routine maintenance and general repairs of the interior and exterior, including landscaping, snow plowing, and trash removal, along with the maintenance and repair of the special air conditioning units servicing the IT server room and the bill processing room. A lengthy discussion ensued. The Board provided their comments on the draft lease. They also commended L. Goodhue for his work on the project.

On motion duly made by S. Genest and seconded by P. Stanley, all of the Directors present then voting, it was unanimously

Commitment to Move

Resolved: that the Board of Directors of Pennichuck Water Works, Inc. (the "Company") hereby authorizes the Company to commit to moving its corporate headquarters from 25 Manchester Street, Merrimack, NH to 25 Walnut Street, Nashua, NH, and to execute a letter of intent or letter of commitment which may be required by Walnut Nashua, LLC, the owner of the property located at 25 Walnut Street in Nashua.

On motion duly made by S. Genest and seconded by P. Stanley, all of the Directors present then voting, it was unanimously

Walnut Street Lease

Resolved: that the Board of Directors hereby authorizes Pennichuck Water Works, Inc. (the "Company") to enter into a Lease agreement with Walnut Nashua, LLC (the "Landlord"), in substantially the form presented at this meeting, to lease the property located at 25 Walnut Street, Nashua, NH, which property will be used for the Company's corporate headquarters.

Further

Resolved: that Larry D. Goodhue, Chief Executive Officer of the Company and Donald L. Ware, Chief Operating Officer of the Company, are severally authorized and directed to execute and deliver the said Lease agreement and any other documents that they may deem necessary, proper or advisable, the taking of such actions and the execution and delivery of such documents to be sufficient and conclusive evidence that the same have been authorized and adopted hereby.

On motion duly made by S. Genest and seconded by P. Stanley, all of the Directors present then voting, it was unanimously

Notice of Early Termination of Manchester Street Lease

Resolved: that Larry D. Goodhue, Chief Executive Officer of Pennichuck Water Works, Inc. (the “Company”) is hereby authorized to give written notice of early termination of the Lease dated April 23, 2004, as amended, between HCOP Merrimack, LLC (the “Landlord”) and the Company, for the space located at 25 Manchester Street, Merrimack, NH; said notice of early termination to be given no later than September 30, 2019 with a lease termination date of December 31, 2020.

There being no further business to discuss in non-public session, on motion duly made by J. McGrath and seconded by P. Stanley, all of the Directors present then voting, it was unanimously agreed to end the non-public session at 12:03 p.m.

/s/ Suzanne L. Ansara

Suzanne L. Ansara
Corporate Secretary