

PENNICHUCK WATER WORKS, INC.

BOARD OF DIRECTORS
MINUTES OF FEBRUARY 24, 2023 MEETING

A meeting of the Board of Directors of Pennichuck Water Works, Inc. (the “Company”) was held on Friday, February 24, 2023, at 8:22 a.m. at the Company’s offices at 25 Walnut Street, Nashua, New Hampshire.

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 for the start of the meeting, constituting a quorum:

Thomas J. Leonard, Chairman
David P. Bernier (via Microsoft Teams)
C. George Bower
Aymarie R. Corriveau
Elizabeth A. Dunn
H. Scott Flegal
Stephen D. Genest (via Microsoft Teams)
Ralph Jenkins (via Microsoft Teams)
Jay N. Lustig
Deborah Novotny
Sarah Pillsbury

D. Bernier, S. Genest and R. Jenkins stated the reasons they could not attend the meeting in person, that they were alone, and could hear the proceedings.

Attending the meeting from the Company were:

Larry D. Goodhue, Chief Executive Officer
Mary V. DeRoche, Human Resources Director
George Torres, Chief Financial Officer, Treasurer and Corporate Controller
Carol Ann Howe, Assistant Treasurer and Corporate Secretary
Steven Greenwood, IT Director
Tara King, Revenue and Customer Operations Director
John Boisvert, Chief Engineer
Alan Brown, Manager, Distribution
Chris Countie, Director, Water Supply and Community Systems
Lori Douglas, Assistant Controller

C. Howe recorded the minutes of the meeting.

The Chairman called the meeting to order.

Approval of Minutes

There being no comments on the draft minutes of the December 16, 2022 meeting of the Board of Directors, on motion duly made by D. Novotny and seconded by E. Dunn, all of the Directors present then voting by roll call, it was unanimously

Resolved: that the minutes of the December 16, 2022 meeting of the Board of Directors are hereby approved.

There being no comments on the sealed draft minutes of the Board's December 16, 2022 non-public session, on motion duly made by G. Bower and seconded by R. Jenkins, all of the Directors present then voting by roll call, it was unanimously

Resolved: that the sealed minutes of the December 16, 2022 non-public session of the Board of Directors are hereby approved.

Distribution to Pennichuck Corporation

L. Goodhue stated that management is seeking approval of a distribution from the Company to Pennichuck Corporation in the amount of \$6,700,261.73 (\$748,845.14 from retained earnings and \$5,951,416.59 from additional paid in capital) to fund Pennichuck Corporation's payment of the City's acquisition debt.

On motion duly made by R. Jenkins and seconded by D. Novotny, all of the Directors present then voting by roll call, it was unanimously

Resolved: that a distribution in the amount of \$6,700,261.73 (\$748,845.14 from retained earnings and \$5,951,416.59 from additional paid in capital) be recorded to Pennichuck Corporation on February 28, 2023.

2023 Bond Financing Plan

L. Goodhue indicated that the Company is looking to issue taxable or tax-exempt bonds in an amount not to exceed \$6.4 million to finance the 2022 capital expenditures of Pennichuck Water Works and for the cost of issuance of the bonds. Draft documents to complete the bond financing were included in the written materials to the Board. The schedule of meetings for the Pricing Committee to price the bonds was reviewed. L. Goodhue referred the Board to the draft resolutions in the Agenda. He said that the Audit, Finance and Risk Committee has reviewed the financing and voted to recommend approval by the Company and the Pennichuck Corporation Board.

After a brief discussion, on motion duly made by J. Lustig and seconded by A. Corriveau, all of the Directors present then voting by roll call, it was unanimously

Resolved: that the financing plan for the financing of the capital expenditures of Pennichuck Water Works, Inc. (the “Company”) for 2022, as described to the Board, such plan to consist of the entering into of the following credit facilities:

Taxable or Tax-exempt Bonds in one or more series in an aggregate amount not to exceed:	\$ 6,200,000
Taxable or Tax-exempt Bonds in one or more series OR Bank Credit Facility to fund Bond Issuance Costs, not to exceed:	\$ 200,000
Total 2023 Financing Plan not to exceed:	<u>\$ 6,400,000</u>

(the “2023 Financing Plan”), be and it is hereby approved.

Further

Resolved: That a Pricing Committee of the Board (the “Pricing Committee”), consisting of the following Board members: C. George Bower, H. Scott Flegal, Ralph Jenkins, Sarah Pillsbury and Deborah Novotny, and alternate Elizabeth A. Dunn, is hereby established to approve the material pricing terms upon which the Company shall sell, issue and deliver bonds, notes or other instruments, which may be issued as taxable or tax-exempt bonds, in one or more series or other credit facilities, necessary and appropriate to implement the 2023 Financing Plan, which terms shall include, without limitation, interest rate, premium discount, maturity, amortization and redemption provisions.

Further

Resolved: That the officers of the Company are hereby authorized, empowered and directed on behalf of the Company to engage Stifel, Nicolaus & Company, Incorporated (“Stifel”) as the underwriter for any public offering of securities in connection with the 2023 Financing Plan and to negotiate the terms of a Bond Purchase Agreement(s) or similar agreements with Stifel and the Business Finance Authority of the State of New Hampshire (“BFA”), relating to the 2023 Financing Plan (each, a “Bond Purchase Agreement”), substantially in the form provided to the Board with such changes relating to pricing as may be approved by the Pricing Committee and with such other changes and additional terms, including any exhibits and schedules to any such Bond Purchase Agreement, as may be determined to be necessary or advisable by the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer, or the Treasurer (each, an “Authorized Officer”), and the execution of any such Bond Purchase Agreement by any such Authorized Officer shall be conclusive as to such determination.

Further

Resolved: That the officers of the Company are hereby authorized, empowered and directed on behalf of the Company to enter into a Loan and Trust Agreement(s) with the BFA and The Bank of New York Mellon Trust Company, N.A., as Trustee, relating to the 2023 Financing Plan (each, the “Loan and Trust Agreement”), substantially in the form provided to the Board with such changes relating to pricing as may be approved by the Pricing Committee and with such other changes and additional terms, including any exhibits and schedules to any such Loan and Trust Agreement, as may be determined to be necessary or advisable by any Authorized Officer, and the execution of any such Loan and Trust Agreement by any such Authorized Officer shall be conclusive as to such determination.

Further

Resolved: That the officers of the Company are hereby authorized, empowered and directed on behalf of the Company to enter into a Continuing Disclosure Agreement(s) with the Trustee or another dissemination agent, relating to the 2023 Financing Plan (each, a “Continuing Disclosure Agreement”), substantially in the form provided to the Board and with such changes and additional terms, including any exhibits and schedules to any such Continuing Disclosure Agreement, as may be determined to be necessary or advisable by any Authorized Officer, and the execution of any such Continuing Disclosure Agreement by any such Authorized Officer shall be conclusive as to such determination.

Further

Resolved: That the officers of the Company are hereby authorized, empowered and directed on behalf of the Company to cause to be prepared, executed and distributed by Stifel a Preliminary Official Statement(s) relating to any bonds to be issued under any respective Bond Purchase Agreement and Loan and Trust Agreement to effect the 2023 Financing Plan (the “Preliminary Official Statement”), such Preliminary Official Statement to be substantially in the form provided to the Board and with such changes and additional terms, including any exhibits and schedules to any such Preliminary Official Statement, as may be determined to be necessary or advisable by any Authorized Officer, and the execution of any such Preliminary Official Statement by any such Authorized Officer shall be conclusive as to such determination.

Further

Resolved: That the officers of the Company are hereby authorized, empowered and directed on behalf of the Company to cause to be prepared, executed and distributed by Stifel an Official Statement(s) relating to any bonds to be issued under any Bond Purchase Agreement and Loan and Trust

Agreement to effect the 2023 Financing Plan, such Official Statement to be substantially in the form of the Preliminary Official Statement with such changes relating to pricing as may be approved by the Pricing Committee and with such other changes and additional terms, including any exhibits and schedules, as may be determined to be necessary or advisable by any Authorized Officer, and the execution of any such Official Statement by any such Authorized Officer shall be conclusive as to such determination.

Further

Resolved: That, without limiting the authority of the Pricing Committee and the Authorized Officers pursuant to the foregoing resolutions relating to the 2023 Financing Plan, the Authorized Officers are hereby authorized, empowered and directed to finalize the terms of the 2023 Financing Plan, including preparation and execution of such additional agreements, petitions and documents as any Authorized Officer determines to be necessary or advisable to effect the 2023 Financing Plan, and the execution of such additional agreements, petitions and documents by any such Authorized Officer shall be conclusive as to such determination, and to present such agreements, petitions and documents to the Pricing Committee for further approvals as may be required by such agreements, petitions and documents, and the Pricing Committee is hereby authorized to give any such further approvals on behalf of the Board and the Company.

Further

Resolved: That the Authorized Officers are hereby authorized, empowered and directed to take any and all actions to develop and effect the borrowings contemplated by the 2023 Financing Plan, including taking any and all actions to obtain all necessary approvals for the borrowings contemplated by such Plan from the New Hampshire Public Utilities Commission and any other authority determined by such Authorized Officers relating to such borrowings.

Further

Resolved: That any actions taken by any Authorized Officers prior to the date of the foregoing resolutions adopted hereby that are within the authority conferred thereby are hereby ratified, confirmed, approved and adopted as actions of the Company.

There being no further business to come before the Board, the Chairman adjourned the meeting at 8:29 a.m.

/s/ Carol Ann Howe
Carol Ann Howe
Assistant Treasurer & Corporate Secretary