



## RESOLUTION

APPROVING THE PROPOSAL OF PENNICHUCK EAST UTILITY, INC. TO  
BORROW UP TO \$525,000 FROM THE STATE REVOLVING LOAN FUND

### *CITY OF NASHUA*

*In the Year Two Thousand and Twelve*

**RESOLVED** by the Board of Aldermen of the City of Nashua that the City of Nashua is the sole shareholder of Pennichuck Corporation and each of its subsidiaries, including Pennichuck East Utility, Inc.; and

**WHEREAS** Article VI §2 of the by-laws of the Pennichuck Corporation states that “[n]o loan shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by the Sole Shareholder”; and

**WHEREAS** Pennichuck East Utility, Inc. (PEU) is proposing to borrow up to \$525,000 from the State Revolving Loan Fund, administered by the New Hampshire Department of Environmental Services, to fund capital improvements to undertake a main replacement project in its Locke Lake system by replacing approximately 8,500 LF of small diameter PVC water main. PEU has filed a petition and pre-filed testimony for approval of that borrowing by the New Hampshire Public Utilities Commission; and

**WHEREAS** that borrowing also requires the approval of the sole shareholder, City of Nashua, under the terms of the Pennichuck Corporation by-laws.

**NOW THEREFORE, BE IT RESOLVED** by the Board of Aldermen of the City of Nashua that the City approves PEU’s proposal to borrow up to \$525,000 through the State Revolving Loan Fund.

**LEGISLATIVE YEAR 2012**

**RESOLUTION:** R-12-006

**PURPOSE:** Approving the proposal of Pennichuck East Utility, Inc. to borrow up to \$525,000 from the State Revolving Loan Fund

**ENDORSERS:** Mayor Donnaice Lozeau

**COMMITTEE  
ASSIGNMENT:**

**FISCAL NOTE:** None.

---

**ANALYSIS**

This legislation is written in anticipation that the City of Nashua will complete its purchase of the Pennichuck Corporation and become the sole shareholder of the Pennichuck Corporation on or about January 25, 2012 and prior to the approval of this legislation.

This resolution approves the proposal by Pennichuck East Utility, Inc. (PEU) to borrow up to \$525,000 from the State Revolving Loan Fund. This is for a planned capital improvement on PEU's project list.

In order for PEU to obtain available financing through the State Revolving Loan Fund at favorable terms, the approval process by the City needs to be completed by the end of February, 2012. Article VI §2 of the Pennichuck Corporation's by-laws requires City approval for the borrowing.

---

**Approved as to form:** Office of Corporation Counsel

By: 

Date: January 20, 2012

**RESOLUTION** R-12-006

**Approving the proposal of**  
**Pennichuck East Utility, Inc. to**  
**borrow up to \$525,000 from the**  
**State Revolving Loan Fund**

**Endorsed by**  
[Signature] **MAYOR**  
[Signature] **TABACSKO**  
[Signature] **WILSHIRE**  
[Signature] **MELIZZI-**  
**GOLJA**  
[Signature] **SHEEHAN**  
[Signature] **VITALE**  
[Signature] **PRESSLY**

**IN THE BOARD OF ALDERMEN**

1<sup>st</sup> READING JANUARY 24, 2012

Referred to:

PENNICHUCK WATER SPECIAL COMMITTEE

2<sup>nd</sup> Reading FEBRUARY 14, 2012

3<sup>rd</sup> Reading \_\_\_\_\_

4<sup>th</sup> Reading \_\_\_\_\_

Other Action \_\_\_\_\_

Passed FEBRUARY 14, 2012

Indefinitely Postponed \_\_\_\_\_

Defeated \_\_\_\_\_

Attest: [Signature]  
[Signature] City Clerk  
[Signature] President

Approved [Signature]  
Mayor's Signature

February 15, 2012  
Date

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Vetoed: \_\_\_\_\_

Veto Sustained: \_\_\_\_\_

Veto Overridden: \_\_\_\_\_

Attest: \_\_\_\_\_  
City Clerk

\_\_\_\_\_  
President