

PENNICHUCK CORPORATION

BOARD OF DIRECTORS

MINUTES OF FEBRUARY 28, 2025 MEETING

A regular meeting of the Board of Directors of Pennichuck Corporation (the “Company”) was held on Friday, February 28, 2025 at 8:38 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:

C. George Bower, Chairman
Amymarie R. Corriveau
Scott A. Cote
Elizabeth A. Dunn
H. Scott Flegal
Ronald J. Houle
Ralph Jenkins
Jay N. Lustig (via Microsoft Teams)
Deborah B. Novotny
Sarah Pillsbury

Attending all or a portion of the meeting from the Company were:

John J. Boisvert, Chief Executive Officer and Chief Engineer
Donald L. Ware, Chief Operating Officer
George Torres, Chief Financial Officer and Treasurer
Christopher J. Countie, Director of Operations
Tara King, Revenue and Customer Operations Director
Sarah E. Rossetti, Human Resources Director
Steve M. Greenwood, IT Director
Alan D. Brown, Manager, Distribution
Carol Ann Howe, Assistant Treasurer and Corporate Secretary
Lori Douglas, Corporate Controller
Jay D. Kerrigan, Manager Regulatory Affairs, Internal Control and Business Services
Hannah Marshall, Engineer

Other - Lori Wilshire, President, Nashua Board of Alderman

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 January 24, 2025 meeting of the Pennichuck Corporation Board of Directors and on the draft minutes of the January 24, 2025 meeting of The Southwood Corporation Board of Directors, on motion duly made by E. Dunn and seconded by A. Corriveau, all of the Directors then voting it was unanimously

Resolved: that the minutes of the January 24, 2025 meeting of the Board of Directors are hereby approved.

Resolved: that the draft minutes of the January 24, 2025 meeting of the The Southwood Corporation Board of Directors are hereby approved.

G. Bowers provided commentary noting that this time of the year is particularly busy with many items on the plate of management and staff. He asked J. Boisvert to take a look at the workload of the staffing and wherever we can lessen the requirements of certain tasks and potentially defer them to other times, to take that under consideration. He also asked that the Chairs in each of the Committees look at what they are addressing and the impact it may have on staffing needs. J. Boisvert provided additional input and took the opportunity to thank everyone in the room, including staff in attendance, the Board of Directors and Lori Wilshire on behalf of the Board of Alderman.

Financial Update and Review – Unaudited Financial Statements 12/31/24

L. Douglas explained what is being presented are the unaudited results of 2024. She started with a review of the YTD Income Statement and explained where we ended at for the year and in the process of her presentation highlighted certain areas of significance. G. Torres provided further input on a one-time non-cash audit adjustment which prompted some further discussion with the Board. L. Douglas further proceeded to discuss the Consolidated Balance Sheet, Cash Flow Statements, Debt Covenants and ending with a summary of the Capital Expenditures for the quarter and year-to-date.

Pennichuck Water Works Bond Financing for 2024 Capital Expenditures

G. Torres explained that he was presenting the Board with a Resolution related to the same Capital expenditures as discussed in the Resolution approved in the Pennichuck Water Works, Inc. Board Meeting.

There being no further comments, on motion duly made by E. Dunn and seconded by A. Corriveau, all of the Directors then voting it was unanimously,

Resolved: that the 5-Year Plan of Financing 2021-2025 for Pennichuck Water Works, Inc. (“PWW”) to finance PWW’s capital needs for 2020-2024 as originally approved by this Board on February 28, 2020 is hereby revised to include the 2024 capital needs of each of Pennichuck East Utility, Inc. (“PEU”) and Pittsfield Aqueduct Company, Inc. (“PAC”) as a result of and conditioned upon the merger of each of PEU and PAC with and into PWW to be consummated on or about March 1, 2025.

Further
Resolved: that the financing plan for the financing of the capital expenditures of PWW, PEU, and PAC for 2024, as described to this 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: \$15,300,000

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 2025 Financing Plan not to exceed: \$15,500,000

(the “2025 Financing Plan”), be and it is hereby approved.

Further
Resolved: that the officers of Pennichuck Corporation (the “Company”) and PWW are hereby authorized, empowered and directed to take any and all actions to develop and effect the borrowings contemplated by the 2025 Financing Plan, including taking any and all actions to obtain all necessary approvals and consents for the borrowings contemplated by such Plan from the City of Nashua in its capacity as the sole shareholder of the Company, the New Hampshire Public Utilities Commission, and any other person from which approval or consent may be required related to such borrowings as determined by such officers.

Further
Resolved: that the officers of the Company and PWW are directed to finalize the terms of the 2025 Financing Plan, including preparation of loan and trust agreements, credit facility agreements, bond purchase agreements, official statements, petitions and such other documents or actions that are necessary to affect the 2025 Financing Plan.

Further

Resolved: that any actions taken by the officers of the Company 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.

Nashua Water Treatment Facility Chemical Feed Upgrade

H. Marshall provided an update on the Water Treatment Facility – Chemical Feed and Storage Project. First, she provided a recap describing the original factors contributing to the need of this storage facility noting they were related to increased chemical usage primarily associated with changing water quality. Because of unreliable supply chains, there was a further need for an increase in the size of the storage facility that would allow the Company to stockpile sufficient supplies in light of unreliable supply chains. She spoke about the design process and stated it been a relatively recent project that has been on a continuous fast track. It kicked off in the Fall of 2024 and she noted some of the key factor that were critical in keeping the project moving which included the continuous communications with many parties. She stated there was a pre-qualification process required of all contractors to ensure we had reliable competitive contractors who would be potentially working on the Project. She displayed several pictures of the Project Site Plan and described what was being shown. The diagrams included the construction and the building layouts and section views and described both. She also showed some diagrams of building exterior views and she spoke to the structure of the tanks and the storage upgrades that were taking place. She described the additional upgrades this project would bring compared to our current situation and explained this is a very conservative project and the decisions are being made with consideration of many important factors. She provided a timeline for the project through bid openings in May 2025 to an estimated final completion date of December 2026. E. Dunn posed a question related to the project timelines and its effect on our productivity during our typically highest productivity/pumpage months. H. Marshall noted the project should not cause any disruption in our business and this was specifically addressed with the contractors. G. Bower asked about controls related to chemical ventilation and emission/controls etc. He asked some further questions as it related to this and C. Countie provided response and indication that further follow up would be done as required.

Merger Rate Case Update

J. Boisvert indicated we are official and the Merger will be effective March 1.

2025 Annual Meeting of Sole Shareholder

J. Boisvert indicated the Annual Meetings will occur on May 21, 2025. He noted the date had been previously determined and all that is left is to conclude on the location of the meeting which would either be at the Corporate office at 25 Walnut Street, Nashua or at the Distribution Facility.

After some brief discussion, and there being no further comments, on motion duly made by R. Jenkins and seconded by A. Corriveau, all of the Directors then voting it was unanimously

Resolved: that the Pennichuck Corporation 2025 Annual Meeting of Sole Shareholder be held on Wednesday, May 21, 2025, at 8:30 a.m., (refreshments at 8:00 a.m.), at the Pennichuck Distribution Facility at 16 Daniel Webster Highway, Merrimack, New Hampshire.

Report of the Nominating and Governance Committee Meeting on January 24, 2025

E. Dunn, Chair of the Nominating and Governance Committee Meeting, indicated there was not a lot that occurred at the meeting, but the next one will cover more agenda items including discussions related to the Annual Meeting. She also asked about the board surveys and reminded those of the importance of them and requested they be submitted.

Report of the Audit, Finance and Risk Committee Meeting on February 18, 2025

R. Jenkins, Chair of the Audit, Finance and Risk Committee, indicated there was a brief meeting which mostly discussed the bonding resolution and that was the primary action taken at the meeting. He noted they will be very busy at the next meeting which will review the results of the audit. J. Boisvert stated there will be a Cyber presentation at the beginning of the next Audit, Finance and Risk Committee meeting to discuss the results of the Cyber review in a more detailed level.

G. Bower asked if the Audit, Finance and Risk Committee would be looking at the bonding documents and there was some discussion related to this.

Business Updates and Comments from the Chief Executive Officer

J. Boisvert indicated we have already discussed several topics and one additional item he commented on was the capital projects that will be coming up in the year and explained various projects that are due to the Lead and Copper Rules. He stated this will keep us busy and there will be a lot of work related to meter changes and several other items. These activities will result in an increased work load for the Customer Service and Operations Departments.

G. Torres stated the final paperwork to close out The Southwood Corporation has been filed and it is officially closed and there will not be any further activity on that Company. He also spoke about the renewal of the fixed asset line of credit (FALOC) and the increase in the FALOC that will be in place due to the two additional subsidiaries now being consolidated into one company. Activity on this renewal will commence in the March time frame.

Other Business - Management Presentation Schedule

J. Boisvert provided a quick review of the schedule and stated if there was any interest in seeing a topic or any other changes, they should let us know. He turned to Lori Wilshire, noting that she will be new to the Board member and if there is anything she is interested in hearing about, she should let us know.

Prior to moving to the Non-Public Session, G. Bower stated that they are inviting L. Wilshire to join the Non-Public Session since there is no information related to specific employee names that is being presented in the Non-Public session. There being no objection, L. Wilshire was in attendance at the meeting.

H. Marshall and J. Kerrigan left the meeting at 10:29 a.m.

Move to Non-Public Session

E. Dunn moved that the Board enter into non-public session to discuss financial or confidential information, pursuant to RSA 91-A:3, II(j) and A. Corriveau seconded the motion.

A roll call of the Directors was taken, which resulted as follows:

Yea: G. Bower, R. Houle, A. Corriveau, J. Lustig, S. Cote,
D. Novotny, E. Dunn, R. Jenkins, S. Flegal, P. Houle

Nay:

Motion was carried to enter non-public session at 10:30 a.m.

Reconvene in Public Session

The non-public session ended at 10:59 a.m. and the Board reconvened in public session.

Matters Discussed in Non-Public Session

At the non-public session, the following occurred:

- On a motion duly made by E. Dunn and seconded by A. Corriveau, all of the Directors present then voting by roll call, it was unanimously

Resolved: that the sealed minutes of the January 24, 2025 non-public session of the Board of Directors are hereby approved.
- S. Rossetti gave a presentation on the HR Dashboard to the Board. The Board reviewed the materials presented. Both the materials and presentation will remain in Non-Public.

There being no further business to come before the Board, the Chairman adjourned the meeting at 11:02 a.m.

Carol Ann Howe

Carol Ann Howe, CPA
Assistant Treasurer & Corporate Secretary