



Regina City Council Delegation – Monday, January 30, 2017

RE: Western Potash Corp. Payment Extension & Contract Renegotiation

Good evening ladies and gentlemen, my name is Chad Novak, and I am here representing the Saskatchewan Taxpayers Advocacy Group, which is a grassroots organization proudly standing up for the rights of individual taxpayers. I am here to address the request by Western Potash Corp. for a payment extension and contract renegotiation.

Something that I am very proud to be responsible for is ensuring that our City provides fair and equitable treatment to all taxpayers of Regina. What is being asked of residents this evening is neither fair nor equitable for them, and I would ask that you vote to *keep and strictly enforce the terms of the original legally-binding contract*.

I cannot stress this point enough – this is a *legally binding agreement*, to which all parties are assumed to have understood any and all risks at the time of signing. Therefore, the liability of any potential risks should fall completely on Western Potash and *not on the taxpayers of Regina*. It is our opinion that a legally binding agreement should be adhered to and enforced at all costs – *unless extenuating and unforeseen circumstances arise*. Further to this point, it is our view that a simple “fluctuation in the market demands” ought to be a very well recognized and assumed risk borne by Western Potash when they entered into this legally binding agreement a few short years ago. I know for certain that Regina taxpayers did not sign any such documents agreeing to assume that risk. If they did, they most certainly would have negotiated an entitlement to a higher portion of the financial rewards that could come from a well-run and successful potash mine in Saskatchewan.

I have to wonder, Western Potash has had five years already, and yet they knowingly waited until the last minute (*Dec 6, 2016 with the penalty coming into effect Dec 31, 2016*) to request a major change to their agreement. It is not as though these “market fluctuations” happened overnight, and at the very least, they ought to have known long ago that construction wouldn’t get underway by the deadline. Why should taxpayers be okay with a three year extension, which is being asked of them tonight? Why should taxpayers be okay with forgiving the hefty penalties that are included in the legally binding agreement signed by the City of Regina and Western Potash. Surely, Regina residents deserve better respect for putting their trust in our elected officials and City Administration to manage this contract.

Finally, in the interest of fairness for all residents of Regina, if you do feel the need to approve and gift the renegotiation and payment extension of this legally binding contract, could you please let me know where I can apply for the same considerations for my property taxes and water bills?

Thank you for your time this evening, and I will gladly answer any questions you may have.