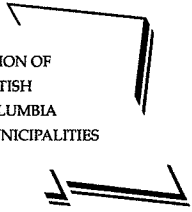


UNION OF
BRITISH
COLUMBIA
MUNICIPALITIES



Administration provided
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Government of Canada

Canada

In partnership with:



BRITISH
COLUMBIA
The Best Place on Earth

Gas Tax/Public Transit
Management Services
Secretariat

Local Government House
525 Government
Victoria BC V8V 0A8

Phone: 250 356-2947
Fax: 250 387-4470

Website:

www.ubcm.ca
under
Funding Programs/
Gas Tax Fund/
Programs

Gas Tax/Public Transit Management Services

...delivering the federal gas tax and public transit agreement funding in British Columbia

July 20, 2010

Chair Dan Ashton and Board
Regional District of Okanagan-Similkameen
101 Martin St
Penticton, BC V2A 5J9

Dear Chair Dan Ashton and Board:

RE: GAS TAX AGREEMENT COMMUNITY WORKS FUND PAYMENT

I am pleased to advise that UBCM is in the process of distributing the first of two Community Works Fund (CWF) payments for fiscal 2010. An electronic transfer of \$338,970.84 is expected to occur on July 21, 2010. These payments are made in accordance with the payment schedule set out in your CWF Agreement with UBCM (see Addendum #1 of your Agreement).

CWF are made available to eligible local governments by the Government of Canada pursuant to the Agreement on the Transfer of Federal Gas Tax Revenues between UBCM and the governments of Canada and British Columbia. Funding under the program may be directed to local priorities that fall within one of the eligible project categories and that are in keeping with the Agreement's intended outcomes of reduced greenhouse gas emissions, cleaner air and cleaner water.

Further details regarding use of CWF and project eligibility are outlined in your CWF Agreement and on our web site at www.ubcm.ca.

For further information, please contact Brenda Gibson, General Manager, Victoria Operations, by e-mail at bgibson@ubcm.ca or by phone at 250-356-2947.

Sincerely,

Harry Nyce
President

pc: Jim Tarvis, Chief Financial Officer

07-22-10A10:00 RCVD

Reader's File