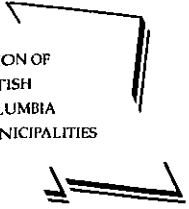


gender

Gas Tax/Public Transit Management Services

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

UNION OF
BRITISH
COLUMBIA
MUNICIPALITIES



Administration provided
By UBCM

Funding provided by:
Government of Canada

Canada

In partnership with:
The Province of BC



BRITISH COLUMBIA

The Best Place on Earth

Gas Tax/Public Transit
Management Services
Secretariat

Municipal House
525 Government St
Victoria BC V8V 0A8

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

Website:

www.civicnet.bc.ca
under
Programs & Services

Federal Gas Tax and Public
Transit Agreements

April 21, 2009

Chair Karen Goodings and Board
Peace River Regional District
PO Box 810
Dawson Creek, BC V1G 4H8



C-5

Dear Chair Karen Goodings and Board:

RE: ACCELERATION OF COMMUNITY WORKS FUNDS PAYMENTS

The Gas Tax Fund is part of the Government of Canada's commitment to stimulate the economy and create jobs through investments in public infrastructure. On April 3, the federal government made an announcement highlighting that Gas Tax Funds will double in fiscal 2009/10, as compared to the previous year, and committing to accelerate the first payment of Gas Tax Funds for this fiscal year.

The doubling of Gas Tax Fund payments is provided for in the Canada - British Columbia - UBCM Gas Tax Agreement, and is taken into consideration in estimating Community Works Fund (CWF) payments to individual local governments, available on our website at <http://www.civicnet.bc.ca/siteengine/ActivePage.asp?PageID=294> under "Community Works Fund Allocations by Local Government".

The current year payment is the final payment under the original Gas Tax Agreement. However, UBCM, along with the governments of Canada and BC, have signed an extension agreement that will provide funding of about \$250 million in each of the 2010/11 to 2013/14 fiscal years, for a total of just over \$1 billion in this period. Estimated CWF payments for eligible local governments for these fiscal years are also available in the same location on our website as noted above. In addition, the federal government has committed to making the Gas Tax a permanent program, although details of the permanent program are not yet known.

Typically, the federal government pays Gas Tax Funding to UBCM in two equal instalments in July and November each year, and UBCM then pays CWF payments to eligible local governments in these same months. However, the federal government announcement provided a one-time acceleration of funds, and the funds for the first half of this year's payment were delivered to UBCM last week. Given this, UBCM intends to similarly accelerate the first CWF payment to local governments.

MAY 14 2009

UBCM will pay the first half of the 2009/10 CWF payment upon receipt and verification of a local government's 2008 Annual Gas Tax Report. Under separate cover, we have provided Gas Tax reporting instructions to the contact copied in this letter, outlining the reporting requirements and deadlines. While the July 1 reporting deadline remains in place, we encourage all local governments to report earlier than the deadline in order to accelerate their first CWF instalment for this fiscal year.

We support the Government of Canada's leadership in accelerating Gas Tax Fund payments, and encourage you and your staff to take advantage of accelerated CWF payments, by filing your 2008 Annual Gas Tax Report as soon as you are able. If you have any questions about the acceleration or other Gas Tax matters, please feel free to contact program staff by telephone at 250 356-2947 or by email at gt-pt@civicnet.bc.ca.

Sincerely,



Robert Hobson
President

pc Kim Frech, Chief Financial Officer

MAY 14 2009