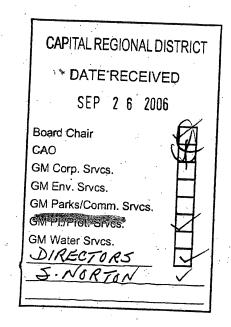


September 20, 2006

Mr. Kelly Daniels Chief Administrative Officer Capital Regional District 524 Yates Street PO Box 1000 Victoria, BC V8W 2S6

Dear Mr. Daniels:



Re: Regional Growth Strategy Interim Update

At the September 18, 2006 regular meeting, Highlands Council passed the following resolution:

"THAT COUNCIL DIRECT STAFF TO WRITE A LETTER TO THE CRD STATING THAT HIGHLANDS COUNCIL NOTES THE INCLUSION OF THEIR REGIONAL CONTEXT STATEMENT AND THE RESULTING ALTERATION TO THE RUCSPA IN THE RGS INTERIM UPDATE APPROVED AUGUST 9, 2006 AND ENDORSES AND SUPPORTS THIS MOVING FORWARD AT THE EARLIEST OPPORTUNITY REGARDLESS OF THE FOUR OUTSTANDING MUNICIPAL CONTEXT STATEMENTS".

We understand that the Project Charter approved by the Board established an October time line to move the Interim Amendment forward. We understand also that despite the fact that four context statements remain outstanding, identified amendments and accepted context statements already received will proceed this fall.

The District looks forward to our issues proceeding as soon as possible.

Yours truly,

Christopher D. Coates

Chief Administrative Officer

