
Towing Industry Advisory Committee

Date

2016/03/22

Time

9:30 AM

Location

Civic Centre, Council Chamber,
300 City Centre Drive, Mississauga, Ontario, L5B 3C1 Ontario

Members

Councillor Ron Starr	Chair
Councillor Matt Mahoney	Vice-Chair
Mark Bell	Citizen Member
Robert Fluney	Citizen Member
Daniel Ghanime	Citizen Member
John C. Lyons	Citizen Member
Tullio (Tony) Pento	Citizen Member
Armando Tallarico	Citizen Member

Contact

Stephanie Smith, Legislative Coordinator, Legislative Services
905-615-3200 ext. 3795
stephanie.smith@mississauga.ca

Find it Online

<http://www.mississauga.ca/portal/cityhall/towingindustryadvisory>

1. CALL TO ORDER
2. APPROVAL OF AGENDA
3. DECLARATION OF CONFLICT OF INTEREST
4. MINUTES OF PREVIOUS MEETING - February 29, 2016
 - 4.1. Previous Meeting Minutes - February 29, 2016
5. DEPUTATIONS
 - 5.1. Caroline Grech, Government Relations Specialist, CAA with respect to permission to tow vehicle forms.
6. MATTERS TO BE CONSIDERED
 - 6.1. Amendments to the Tow Truck Licensing By-law 521-04, as amended, requirements for the use of "Permission to Tow Vehicle" forms
 - 6.2. TIAC Action List 2016
7. OTHER BUSINESS
8. DATE OF NEXT MEETING - May 17, 2016
9. ADJOURNMENT

City of Mississauga
Minutes



Towing Industry Advisory Committee

Date

2016/02/29

Time

1:00 PM

Location

Civic Centre, Council Chamber,
300 City Centre Drive, Mississauga, Ontario, L5B 3C1 Ontario

Members Present

Councillor Ron Starr, Ward 6 (Chair)
Councillor Matt Mahoney, Ward 8 (Vice-Chair)
Mark Bell, Citizen Member
Robert Fluney, Citizen Member
Daniel Ghanime, Citizen Member
John C. Lyons, Citizen Member
Tullio (Tony) Pento, Citizen Member
Armando Tallarico, Citizen Member

Staff Present

Mickey Frost, Director, Enforcement
Daryl Bell, Manager, Mobile Licensing Enforcement
Chris Rouse, Project Manager, Licensing Enforcement
Stephanie Smith, Legislative Coordinator, Legislative Services

Find it online

<http://www.mississauga.ca/portal/cityhall/towingindustryadvisory>

1. CALL TO ORDER

2. APPROVAL OF AGENDA

Approved (M. Bell)

3. DECLARATION OF CONFLICT OF INTEREST - Nil

4. MINUTES OF PREVIOUS MEETING

Approved (T.Pento)

5. DEPUTATIONS

6. Paul Falcao, Classic Towing and Ed Hall, Classic Towing with respect to licencing provisions.

Paul Falcao, Classic Towing spoke to the current moratorium for issuing new tow truck licenses. He spoke to his need for new licenses due to contractual agreements with a garbage truck company. Councillor Starr noted that he and the vice-chair would review the matter.

Daryl Bell, Manager, Mobile Licensing Enforcement spoke to the current moratorium in place for issuing new tow truck licensing.

Ed Hall, Classic Towing spoke to existing towing customers who now operate in the City of Mississauga. He noted that Classic Towing needs the new licenses to service commercial companies. Councillor Starr noted that he and the vice-chair would review the matter.

RECOMMENDATION

That the deputation by Paul Falcao, Classic Towing and Ed Hall, Classic Towing with respect to licencing provisions be referred to staff for further review.

Referred (T.Pinto)

Recommendation TIAC-0001-2016

7. MATTERS TO BE CONSIDERED

8. Centralized Vehicle Pound Facility Feasibility Study - Recommendation Report
Chris Rouse, Project Manager, spoke to Councils direction to review a Central Vehicle Pound Facility (CVPF) model. He noted that today's meeting is to hear comments from the industry and that all comments would be incorporated into a corporate report that would be brought back to the April 9, 2016 General Committee meeting. Mr. Rouse spoke to why vehicles are towed, complaints received regarding vehicle pound facilities and he outlined existing towing regulations.

Mr. Rouse outlined two operating scenarios for a City Owned and Operated CVPF. Scenario one would require all inoperable vehicles to be brought to the CVPF, while scenario two would not force all vehicle towed to go first to the CVPF. He outlined the financial implication for both scenarios as well as potential revenues.

He further spoke to 3 alternative considered options;

1. Maintain the status quo;
2. Establish privately owned and operated CVPF's; and,
3. Implementing Additional Regulations and Operating Procedures

Mr. Rouse noted that staff recommends implementing Alternative Option 3 Additional Regulations and Operating Procedures. He spoke to implementing a public communication program to educate the residents of Mississauga on their rights.

Allan McConnell, Eastgate Towing inquired when the report would be approved by Council. Councillor Starr noted that comments received would be incorporate in a corporate report going to General Committee on April 6, 2016.

Robert Fluney, Citizen Member spoke to the less than 100 complaints received by staff. Daryl Bell, Manager, Mobile Licensing Enforcement noted that not all complaints received were logged into the database and that a number of issues received were not included in the report. Mr. Fluney spoke to software that could be implemented to track the vehicle throughout the towing process.

Councillor Starr noted that the City is working on a model for an application that could be implemented to track the location of a vehicle.

Alias Oshour (sp) Towing Operator inquired if the number of complaints received were not correct in the report what other information was incorrect. Daryl Bell provided clarification and noted that the number of complaints listed in the report was correct but it did not incorporate concerns that were recorded through other avenues.

Roman (sp) Profix Auto Collison noted that at an accident site, Peel Regional Police

automatically record where the vehicle is being towed. He further spoke to the number of complaints received versus the capital cost of a CVRP and expressed concern with the amount of tax dollars being spent on the facility with such a small percentage of consumers complaints received. He noted the need to protect consumers from insurance companies. Councillor Starr noted that the City of Mississauga is trying to improve the industry.

Nick Terenzi, Elite Towing inquired if the concerns being raised are not going to be addressed in Bill 15. Councillor Starr spoke to the current towing forms and that staff are currently working on new numbered forms and the need for consumers to be more informed on their rights.

Mr. Rouse provided clarification that staff does not recommend a city owned CVPF and that they recommend implementing additional regulations and operating procedures.

Mickey Frost, Director, Enforcement noted that the report is here for comment and encouraged the industry to send their comments in to staff.

Robert Fluney noted his support of implementing additional technology.

Daniel Ghanime, Citizen Member spoke to consumers not being able to find their vehicles and that soliciting at an accident scene had been an issue with the industry when a driver hands out their business card. Mr. Ghanime expressed his support for implementing additional regulations and operating procedures

Armando Tallarico, Citizen Member expressed support with staff that the City of Mississauga does not own a central pound facility.

RECOMMENDATION

1. That the Towing Industry Advisory Committee provide comments for inclusion in a future report to General Committee on the report from the Commissioner of Transportation and Works, dated February 12, 2016 entitled "City of Mississauga Centralized Vehicle Pound Facility Feasibility Study □ Recommendation Report", particularly the following recommendations:
 - a. That Council amend the Tow Truck Licensing By-law 0521-2004, as amended, and Schedule 27 of Business Licensing By-law 0001-2006, as amended, to implement the Additional Regulations and Operating Procedures Alternative Option to a City owned and operated Centralized Vehicle Pound Facility to improve consumer protection, ensure that City By-laws conform with Provincial *Bill 15 - Fighting Fraud and Reducing Automobile Insurance Rates Act* regulations, and to improve the City's monitoring and auditing capabilities of the vehicle towing and storage

industry;

- b. That City staff be directed to implement a mandatory on-line towing and storage software application to be used by the Enforcement Division of the Transportation and Works Department and the motor vehicle towing and storage industries in Mississauga, and that the development of the mandatory on-line towing and storage software application be included in the 2017 Transportation and Works Technology Workplan.
- c. That Peel Regional Police and the local detachment of the Ontario Provincial Police be fully informed of the mandatory on-line towing and storage software application and that they be invited to assist in its planning, development and utilization; and,
- d. That Enforcement Division staff work with the Communications Division to implement a public communication plan to inform Mississauga residents about consumer rights when interacting with the towing and storage industry.

Received (A. Tallarico)

Recommendation TIAC-0002-2016

9. INFORMATION ITEMS

9.1. Fighting Fraud and Reducing Automobile Insurance Rates Act, 2014

RECOMMENDATION

That the letter dated December 17, 2015 entitled Fighting Fraud and Reducing Automobile Insurance Rates Act, 2014 be received.

Received (M. Bell)

Recommendation TIAC-0003-2016

10. OTHER BUSINESS

Mark Bell, Citizen Member inquired if there was any update for the new tow truck driver

training.

Daryl Bell, Citizen Member noted that the program is finally complete and notices will be sent out shortly. He noted that the training session would be offered once a month and most be completed within a 90 day period.

11. DATE OF NEXT MEETING - March 22, 2016

12. ADJOURNMENT □ 2:06 p.m.

DRAFT

City of Mississauga
Corporate Report



Date: March 14, 2016

Originator's files:

To: Chair and Members of Towing Industry Advisory Committee

From: Martin Powell, P. Eng.
 Commissioner of Transportation and Works

Meeting date:
 2016/03/22

Subject

Amendments to the Tow Truck Licensing By-law 521-04, as amended, requirements for the use of "Permission to Tow Vehicle" forms.

Recommendation

That the Towing Industry Advisory Committee provide comments to staff, for inclusion in a future report to General Committee, on the report from the Commissioner of Transportation and Works dated March 14, 2016 and entitled "Amendments to the Tow Truck Licensing By-law 521-04, as amended, requirements for the use of "Permission to Tow Vehicle" forms.

Background

Staff have received numerous complaints about breaches of by-laws while vehicles are being towed as a result of vehicle collisions and/or vehicle breakdowns. The by-law requires that all vehicles involved in a collision have a "Permission to Tow Vehicle" form signed by the vehicle owner/operator prior to the vehicle being towed. Related issues have also been raised at the provincial level by the Minister of Consumer Affairs, which resulted in *Bill 15, Fighting Fraud and Reducing Automobile Insurance Rates Act*. The complaints range from the "Permission to Tow Vehicle" form not being signed and often not provided to the consumer, the consumer not being made aware of their rights, other forms being used, confusion as to what form is being signed by the consumer and a number of other issues related to the existing "Permission to Tow Vehicle" forms.

The by-law requires that all vehicles being towed as a result of a collision require that a "Permission to Tow Vehicle" form be signed. The intent of the form is to protect both the tow truck driver and the vehicle owner/operator. The forms are maintained by the tow truck driver for a period of 90 days and are required to be made available to a Municipal Law Enforcement Officer (MLEO), Licence Manager or Police Officer on request. Often the forms are not made available by the tow truck driver and when they are provided, the forms are not complete, are questionable as to their content and do not provide consumer protection due to the lack of validation.

The Canadian Automobile Association approached staff to discuss *Bill 15* and felt that due to the nature of their business they would be exempt from the requirement to use “Permission to Tow Vehicle” forms.

Comments

Staff have reviewed the by law and identified concerns with the present use of the “Permission to Tow Vehicle” forms. Currently the by-law states that every vehicle involved in a collision must complete a “Permission to Tow Vehicle” form prior to commencing a tow and the tow truck driver must maintain the forms for 90 days and provide them on request to a MLEO, Licence Manager or Police Officer. This requirement needs to be amended to ensure that the “Permission to Tow Vehicle” forms provide adequate information and consumer protection.

The Provincial *Bill 15, Fighting Fraud and Reducing Automobile Insurance Rates Act* has provided for a number of provisions, which will address the concerns with the content, which will be incorporated into the form (see appendix 1).

Staff have designed a new “Permission to Tow Vehicle” form which is a three part, sequentially numbered form. The by-law will require amendments to include that the original portion will be provided to the hirer, the second copy provided to Mobile Licensing Enforcement within 10 business days and the third copy maintained by the towing company for one year. The form will also contain education for consumers on their rights in accordance with all relevant regulations. A copy of the proposed “Permission to Tow” vehicle form will be distributed at the TIAC meeting of March 22, 2016.

Staff reviewed CAA’s questions regarding exemptions to the “Permission to Tow Vehicle” forms. While CAA operators perform services for CAA, they are also operating in Mississauga as individual operators and performing all the services that all other tow trucks perform including attending accidents and vehicle break downs that have not been dispatched by CAA. While CAA may be exempt, there operators who operate independently need to be held to the same standards as the rest of the industry. Exemptions for the use of “Permission to Tow Vehicle” forms should only be applied when an operator has proven that they are providing the service under a prepaid agreement or membership to an auto club and the service is being provided with no charges to the consumer.

Financial Impact

No direct financial impact would be experienced by the City of Mississauga.

Conclusion

Staff recommend that the Tow Truck Licensing By-law 521-04, as amended, be amended to include requirements that a the “Permission to Tow Vehicle” form include all information as

provided by *Bill 15* for record keeping and educational information to ensure consumer protection.

Furthermore staff recommend that the by-law be amended to require that the original copy of the three part "Permission to Tow Vehicle" form be provided to the hirer, the second copy be provided to Mobile Licensing Enforcement within 10 business days and the final copy be maintained by the towing company for a period of one year from the date of the tow.

Staff further recommend that auto services that operate under prepaid agreements or membership and do not charge the consumer a fee for the specific tow or service shall be exempt. This exemption shall only apply to a tow truck driver when he/she provides prove that they are operating in that capacity. All other tows will be required to maintain the "Permission to Tow Vehicle" forms in accordance with the by-law.

Attachments

Appendix 1: Stronger Rules for Towing and Vehicle Storage Services



Martin Powell, P. Eng.
Commissioner of Transportation and Works

Prepared by: Daryl Bell, Manager of Mobile Licensing

Stronger Rules for Towing and Vehicle Storage Services

December 17, 2015 2:59 P.M.

The Ontario government is strengthening consumer protection by introducing new rules for towing and vehicle storage services. These new rules will help Ontario's drivers make informed decisions and have confidence that they will be dealt with in an honest and fair way when their vehicle is towed and/or held in a vehicle storage facility. The rules will also help keep auto insurance affordable for Ontario consumers by helping to reduce fraud and abuse in the auto insurance system.

The government is taking action to respond to concerns raised by consumers and industry stakeholders. Exaggerated or inflated fees, questionable and intimidating roadside practices, and unsafe driving and vehicle operation were identified as concerns in the tow and storage sectors.

Consultation results

The government surveyed over 500 Ontario consumers about their experiences with tow trucks and vehicle storage lots in the province:

- 97 per cent of respondents said that a tow truck driver/business should be required by law to post identifying information on its truck(s)
- 96 per cent of respondents stated that a list of fees for each service the driver/business provided should be included on the consumer's invoice
- 96 per cent said a tow truck driver/business should be required by law to accept credit cards (in addition to cash payments)
- 87 per cent stated that a tow truck driver/business should be required by law to post their prices at their offices and on their website, if one exists
- 85 per cent of respondents said that a tow truck driver/business should inform consumers if they are getting a financial reward or incentive for towing a vehicle to a particular storage or repair shop
- 84 per cent stated that a tow truck driver/business should be required by law to provide prices to consumers in writing before the consumer's vehicle is towed

Regulating Ontario's Vehicle Towing and Storage Sectors

Changes to the Consumer Protection Act and its regulation will take effect on January 1, 2017, and will establish tow and storage-specific consumer protection measures. They will require tow and storage providers to:

- Get permission from a consumer or someone acting on their behalf before providing tow and storage services
- Record the name and contact information of the consumer, along with the date and time of authorization
- Disclose certain information to the consumer or the person acting on their behalf, in writing, such as the provider's business name, contact information and address where the vehicle will be towed
- Accept credit card payments, in addition to cash, from consumers
- Provide an itemized invoice, listing services provided, the cost for each service, and the total cost before demanding or receiving payment
- Make available a current statement of rates at their place of business and on any existing website
- Post other information, for example, the provider's name and telephone number on the side of a tow truck, at all business premises and on any website
- Provide a consumer (or someone acting on their behalf) with access to the towed vehicle, at no charge, so that they may remove personal property from the vehicle between 8 a.m. and 5 p.m. on business days
- Prohibit tow and storage providers from recommending repair and storage facilities, legal service providers or health care service providers unless a consumer or a person acting on their behalf specifically asks, or the provider offers to make a recommendation and the consumer (or authorized person) agrees
- Disclose to a consumer whether the provider is getting a financial reward or incentive for providing a recommendation for towing a vehicle to a particular storage or repair shop
- Establish minimum insurance coverage including general liability insurance of \$2 million, customer vehicle insurance of \$100,000 and \$50,000 cargo insurance
- Maintain authorization and disclosure records, invoices, copies of insurance policy, and current statement of rates for three years

Some exemptions will be made for certain tow and storage providers. For example, certain disclosures, authorization, invoices, and related record-keeping requirements will not be required if services are provided under a prepaid agreement or membership in an association, such as the Canadian Automobile Association (CAA) where the consumer is not being charged for the specific service being provided. These exemptions will also apply when the tow and storage services are provided when a vehicle is purchased or leased and the consumer is not charged for the specific service being provided.

In addition, when a vehicle is towed and stored for law enforcement purposes or detained or impounded under other statutes, regulations or municipal by-laws, or as a result of a lawful power of seizure, a limited number of the new rules will apply. While these tows are not initiated by a consumer, the consumer is generally responsible for charges. The new regulation will protect the consumer, for example, by requiring the provider to make available publicly a current statement of rates, post identifiers and other information, and provide the consumer with the option to pay by credit card.

Addressing Vehicle Storage Issues

The Repair and Storage Liens Act deals with the rights of repairers and storers to claim a lien against vehicles they repaired and/or stored. Most of the changes to the Repair and Storage Liens Act will take effect on July 1, 2016.

Changes to the Repair and Storage Liens Act and its regulation will:

- Reduce the notice period from 60 days to 15 days for vehicles registered in Ontario. Currently a storer is required to give written notice of a lien to the owner and other interested parties within 60 days after the day it receives the vehicle (subject to the lien), if the vehicle was brought in for storage by someone other than the owner or without the owner's authority. The new rules are expected to improve storage practices and remove associated costs from the auto insurance system.
 - If the notice is not provided, a lien is limited to the unpaid amount owing for the period of 15 days from the day of receiving the vehicle.
- Provide guidance to courts in determining the "fair value" of repair or storage where no amount has been agreed upon. A list of discretionary factors (e.g., fixed costs, variable costs, direct costs, indirect costs, profit and any other relevant factors) is set out for consideration.

Regulating Tow Trucks

The government is adding regulations under the Highway Traffic Act that will include tow trucks in the definition of commercial motor vehicles under the Commercial Vehicle Operator's Registration (CVOR) system. Vehicles commonly known as tow trucks and other vehicles used for towing, such as the flatbed trucks known as "tilt and loads", will require a CVOR certificate.

This new regulation will come into effect on January 1, 2017. This will allow time for tow truck operators to prepare for and apply for a CVOR certificate before the requirement comes into force.

The CVOR system is used to track the safety of truck and bus operators in Ontario. Its effective monitoring and intervention system for operators helps improve road safety. The Ministry of Transportation monitors each operator enrolled in CVOR, and assigns a Carrier Safety Rating, available to the public, based on collisions, inspections, convictions and the results of facility audits. A single CVOR certificate covers an operator's entire fleet.

Under CVOR, tow operators will be responsible for all the drivers and vehicles in their operation.

These responsibilities include:

- Monitoring the conduct and safety performance of drivers
- Resolving driver safety issues when they are identified
- Keeping vehicles in good, safe condition at all times
- Ensuring load security

Tow trucks will continue to be exempt from some requirements faced by other classes of vehicle under the CVOR system, such as hours of service limits, daily inspection, detailed recordkeeping requirements and entering truck inspection stations, until the government has concluded consultations with the towing industry and other stakeholders on an effective regulatory regime for tow trucks.

Lauren Souch Minister's Office
416-212-3721
Andreas Kyprianou Communications Branch
647-961-5951

[Available Online](#)

Towing Industry Advisory Committee Action List

Issue	Last Discussed on	Who	Status
Gross Vehicle Weight Rating (GVWR)	June 18, 2012	Enforcement Office	COMPLETED
Dual-Wheel Trucks	June 18, 2012	Enforcement Office	COMPLETED
Accident tow rate – amending flat rate	October 22, 2012	Enforcement Office	COMPLETED
Compliance and enforcement of Licensed Vehicle Impound Facilities (VPF)	May 5, 2015	Enforcement Office	In progress
Bi-yearly Ontario Drivers Abstract and a Peel Regional Police criminal record search for all drivers	October 22, 2012	Enforcement Office	COMPLETED
Any company applying for a Tow Truck Owner’s License must also show proof of an approved Vehicle Impound Facility which is located within the boundaries of the City of Mississauga	June 18, 2012	Enforcement Office	COMPLETED
Proof of insurance credentials	October 22, 2012	Enforcement Office	COMPLETED
Drivers complete the following – criminal record search every 6 months, drivers abstract every 6 months, and WSIB	October 22, 2012	Enforcement Office	COMPLETED
Towing Practices and Policies for the Peel Regional Police	June 18, 2012	Enforcement Office	COMPLETED
Capping the Number of Tow Truck Licenses	February 28, 2012	Enforcement Office	COMPLETED
Training/qualifications for drivers	May 6, 2014 September 14, 2015	Enforcement Office	COMPLETED
Central City pound facility	February 19, 2013	Enforcement Office	In progress
By-law review – Towing out of City boundaries	February 19, 2013	Enforcement Office	COMPLETED
By-law review – WSIB/Insurance requirements	February 19, 2013	Enforcement Office	To be brought back to a future meeting
Auto clubs operating without owning a pound facility	December 1, 2014	Enforcement Office	COMPLETED

Towing Industry Advisory Committee Action List

Bill 15 Update	May 4, 2015	Enforcement Office	On-going
Off-Road Recovery	February 17, 2015	Enforcement Office	COMPLETED
Tow Truck Forms	May 4, 2015	Enforcement Office	On-going
Two-Tier Tow Truck By-law	June 22, 2015		COMPLETED
Centralized Vehicle Pound Facility Feasibility Study	February 29, 2016	Chris Rouse	On-going
Vehicle Tow Digital Photographs	June 22, 2015	Enforcement Officer	To be reviewed in September 2016