
Towing Industry Advisory Committee

Date

2019/06/17

Time

9:30 AM

Location

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

Members

Councillor Ron Starr	Chair
Councillor George Carlson	Vice-Chair
Councillor Carolyn Parrish	
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

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Find it Online

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

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1. CALL TO ORDER
 2. APPROVAL OF AGENDA
 3. DECLARATION OF CONFLICT OF INTEREST
 4. MINUTES OF PREVIOUS MEETING
 - 4.1. Towing Industry Advisory Committee Minutes - April 23, 2019
 5. DEPUTATIONS
 6. PUBLIC QUESTION PERIOD – Nil

(Persons who wish to address the Towing Industry Advisory Committee about a matter on the Agenda. Persons addressing the Towing Industry Advisory Committee with a question should limit preamble to a maximum of two (2) statements, sufficient to establish the context for the question, with a 5 minute limitation. Leave must be granted by the Committee to deal with any matter not on the Agenda.)
 7. MATTERS TO BE CONSIDERED
 - 7.1. Review of Collision to Tow Rate
 - 7.2. Towing Industry Advisory Committee Work Plan
 8. OTHER BUSINESS
 9. DATE OF NEXT MEETING - September 16, 2019
 10. ADJOURNMENT

City of Mississauga
Minutes



Towing Industry Advisory Committee

Date

2019/04/23

Time

9:01 AM

Location

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

Members Present

Councillor Ron Starr, Ward 6 (Chair)
Councillor Carolyn Parrish, Ward 5
Councillor George Carlson, Ward 11
Mark Bell, Citizen Member
Robert Fluney, Citizen Member
John C. Lyons, Citizen Member
Tullio (Tony) Pento, Citizen Member
Armando Tallarico, Citizen Member

Members Absent

Daniel Ghanime, Citizen Member

Staff Present

Samuel Rogers, Director, Enforcement
Michael Foley, Manager, Mobile Licensing Enforcement
Stephanie Smith, Legislative Coordinator, Legislative Services

Find it online

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

1. CALL TO ORDER - 9:01AM2. APPOINTMENT OF CHAIR

Councillor Parrish nominated Councillor Starr to be Chair of the Committee.

RECOMMENDATION

TIAC-0002-2019

That Councillor Starr be appointed as Chair of the Towing Industry Advisory Committee for a term ending November 14, 2022 or until a successor is appointed.

Approved (Councillor Parrish)

3. APPOINTMENT OF VICE-CHAIR

Councillor Parrish nominated Councillor Carlson to be Vice-Chair of the Committee.

RECOMMENDATION

TIAC-0003-2019

That Councillor Carlson be appointed as the Vice-Chair of the Towing Industry Advisory Committee for a term ending November 14, 2022 or until a successor is appointed.

Approved (Councillor Parrish)

4. APPROVAL OF AGENDA

Approved (T. Pento)

5. DECLARATION OF CONFLICT OF INTEREST ☐ Nil6. MINUTES OF PREVIOUS MEETING

6.1. Towing Industry Advisory Committee Minutes - February 4, 2019

Approved (J. Lyons)

7. DEPUTATIONS ☐ Nil

8. PUBLIC QUESTION PERIOD - Nil
(Persons who wish to address the Towing Industry Advisory Committee about a matter on the Agenda. Persons addressing the Towing Industry Advisory Committee with a question should limit preamble to a maximum of two (2) statements, sufficient to establish the context for the question, with a 5 minute limitation. Leave must be granted by the Committee to deal with any matter not on the Agenda.)

9. MATTERS TO BE CONSIDERED

9.1. Introduction of committee members and staff

Members of the Committee and staff provided verbal introductions of themselves.

9.2. Update Report on Tow Truck Chasing in the City of Mississauga

Mr. Foley spoke to the updated report on tow truck chasing in the City of Mississauga. Councillor Parrish spoke to controlling the number of tow trucks on the road, the reduction of chasing within the City, the location of the vehicles being towed and enquired about the cost of the central pound study.

Robert Fluney, Citizen Member spoke to improvements within the towing industry and the possibility to examine the auto body shops.

RECOMMENDATION

That the report from the Commissioner of Transportation and Works dated April 11, 2019 entitled "Update Report on Tow Truck Chasing in the City of Mississauga" be received for information.

Received (J. Lyons)

9.3. Towing Industry Advisory Committee Action List

Michael Foley, Manager, Mobile Licensing Enforcement spoke to the Towing Industry Advisory Committee Action List items.

Members of the Committee spoke to the items listed on the Action List and noted that every licensed tow truck driver should have WSIB coverage, that the tow and the re-tow rates need to be reviewed and that a waiting period surcharge needs to be added while waiting at a reporting collision centre.

Samuel Rogers, Director, Enforcement spoke to the priorities of the towing reports.

RECOMMENDATION

TIAC-0005-2019

That the amended 2019 Towing Industry Advisory Committee Action List be received.

Received (Councillor Carlson)10. OTHER BUSINESS

Councillor Starr enquired how all forms of payment are being enforced.

Robert Floney, Citizen Member enquired about the numbers of years of driving experience to obtain a tow truck license.

11. DATE OF NEXT MEETING - June 3, 201912. ADJOURNMENT □ 10:38AM (J. Lyons)

City of Mississauga Corporate Report



Date: 2019/06/04

To: Chair and Members of Towing Industry Advisory Committee

From: Geoff Wright, P. Eng., MBA, Commissioner of Transportation and Works

Originator's files:

Meeting date:
2019/06/17

Subject

Review of Collision to Tow Rate

Recommendation

That the report from the Commissioner of Transportation and Works dated June 4, 2019 entitled "Review of Collision to Tow Rate" be received for information.

Background

Motor vehicle collision scenes present a risk to consumer protection. Individuals involved in an accident are often confused and distraught and in many cases rely on the advice of tow truck drivers who, while arriving on the scene quickly, are not first responders. Historically, unscrupulous tow drivers have used collision scenes to persuade victims into using their services for one stated price only to find later that the price has increased substantially due to extras or additional services.

To mitigate this risk to the consumer, the City of Mississauga has, through its Tow Truck Licensing By-law 521-04, as amended, instituted a fixed price for towing from a collision scene. This price covers all costs associated with the tow including dollies, winching, waiting time, environmental charges and the distance the vehicle must be towed (within the City of Mississauga).

Present Status

Currently, the Collision Tow Rate for vehicles is \$290, which was set in 2015. The current rate that can be charged for a "re-tow" is \$103.00 for vehicles being re-towed within municipal boundaries.

Comments

Cost Analysis

In 2010 this rate was set at \$230. It has subsequently been adjusted a further three times, most recently in 2015 to \$290

The By-law also sets out a fixed price for a “re-tow”. The re-tow takes place when a tow truck driver is unable to deliver the vehicle to the desired location or a location has not been selected, and the vehicle is placed in a Vehicle Pound Facility. The re-tow takes place when the vehicle is later moved to its final destination as selected by the hirer.

While towing from a collision scene may represent some additional risk on the part of the tow truck driver, the work is inherently the same as a standard tow but may include additional elements such as the completion of a permission to tow form and some cleanup of the collision site.

Staff reviewed the 2019 price lists as submitted by tow truck companies. It was established that the average cost of a “basic tow” was \$183 and ranged from a low of \$65 to a high of \$295. The average cost associated with the use of “dollies” was established to be \$133 and ranged from a low of \$50 to a high of \$200.

Not every vehicle involved in a collision requires the use of dollies but the increased popularity of all wheel drive vehicles has increased their utilization. Dollies have been required equipment on licensed tow trucks since the mid 1990’s and their use does not represent a significant increase in the equipment required or work effort needed to complete a tow.

The Collision Tow Rate was implemented to protect the consumer from deceptive practices, not to provide a bonus to tow truck drivers appearing at accident scenes. The rate should therefore be reflective of the value of the service provided. The average price for a tow that requires dollies based on industry supplied rate sheets is \$316. However, this is the average of the highest rate that a tow truck driver may charge; most companies provide discounts to these prices.

It is important to note also that with minimal research a consumer could obtain the same service from one of the low cost providers for approximately \$175.00 plus mileage at \$4 per kilometer.

Therefore, the current \$290 Collision Tow Rate is commensurate with other towing service costs such as basic tows and the use of dollies.

Inflation Rates

The average annual rate of inflation between 2010 to present day is approximately 1.68%. Adjusting the Collision Tow Rate on a yearly basis from 2010 through 2019 by the rate of

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inflation would result in a tow rate of \$267 for 2019. The actual annual average tow rate increase over the past nine years is 2.9%.

Calculating an increase based on the inflation rate from the adoption of the \$290 Collision Tow Rate adopted in 2015 would yield a proposed rate of \$310. However, when measured as an annual increase, this would represent 3.9% annual increase in the rate since 2010; well ahead of the rate of inflation for the past nine years.

Jurisdictional Scan

Three municipalities were identified as providing an all-inclusive tow rate for vehicles involved in a collision. Toronto, Vaughan and Brampton have set rates of \$250, \$250 and \$279 respectively (Appendix 1). Mississauga currently has the highest rate in effect for municipalities where a Collision Tow Rate is defined. The Town of Oakville is preparing to adopt Tow Truck regulations and have proposed \$300 as the Collision Tow Rate which includes up to one hour of wait time.

Time Analysis: Collision Reporting Centre

The current practice of Peel Regional Police is to request that the owners move vehicles to a collision reporting centre to file an accident report. This has resulted in a significant increase in the number of tows that now must be routed by way of a reporting centre before the vehicle can be delivered to its final destination.

In some instances, such as severe weather, staff have been advised that there are long waits at collision reporting centres due to a large numbers of minor accidents. However, prior to the change in police practice, staff observed considerably longer periods of time spent awaiting the arrival of police on scene and the subsequent completion of their onsite investigation.

Therefore, the current police practice has resulted in time decreases at the accident scene, but also increased the time (in some instances) at the collision centre. The average net time decrease or increase cannot be accurately assessed without a significant study undertaken by staff.

The issue of permitting a re-tow to be charged for any vehicle where attendance at a collision reporting centre was required was also reviewed. This proposal would not meet the requirement of the current by-law which provides a narrow set of circumstances where a re-tow is appropriate.

Financial Impact

There is no financial impact related to the report.

Conclusion

An increase in the Collision Tow Rate is not recommended at this time for the following three reasons:

1. The current \$290 Collision Tow Rate is commensurate with other towing service costs such as basic tows and the use of dollies.
2. Over the past nine years, the Collision Tow Rate has increased more than the average annual rate of inflation (2.9% average annual tow rate increase compared to 1.68% average annual rate of inflation).
3. The Mississauga rate is currently the highest for municipalities where a Collision Tow Rate is defined.

Attachments

Appendix 1: Collision Tow Rate Jurisdictional Scan



Geoff Wright, P. Eng., MBA, Commissioner of Transportation and Works

Prepared by: Michael Foley Manager, Mobile Licensing Enforcement

Collision Tow Rate Jurisdictional Scan

Jurisdiction	Rate	Regulation
Brampton	\$279.00	<p>Not exceeding 2,725 KGS. (6,000 lbs.) in towing weight, shall be charged the all-inclusive flat rate with no other additional service charges other than applicable federal and provincial taxes.</p> <p>Where a tow is to conclude outside the boundaries of the City that driver may charge a per kilometer rate of \$3.25 from the point where the tow begins to its conclusion.</p>
Mississauga	\$290.00	<p>Not exceeding six thousand (6,000) pounds (2,721 kg) in towing weight from a collision scene, shall charge or cause to be charged an all-inclusive flat rate towing fee, with no additional charges other than applicable taxes.</p> <p>Every Owner and Driver of a Tow Truck who has towed a passenger Vehicle, light duty van or truck not exceeding six thousand (6,000) pounds (2,721 kg) from a Collision scene to a Vehicle Pound Facility at the direction of the Hirer, shall only charge or cause to be charged a maximum of one hundred and three dollars (\$103.00) for a re-tow from the Vehicle Pound Facility to any salvage yard, body shop, storage yard or any other public garage, building or place when directed by the Hirer, and may only charge the general mileage of no more than three dollars and ten cents (\$3.10) per kilometer (\$4.98 per mile) when it is towing a passenger Vehicle, light duty van or truck outside of the Municipal boundary.</p>
Oakville	\$300.00	<p>This is part of a proposed By-law regulation to regulate towing prices and ensure that only licensed tow truck companies, drivers and vehicle storage yards operate in Oakville.</p> <p>All consent tows will be required to follow standardized fees as set out in the proposed by-law including:</p> <ul style="list-style-type: none"> • Accident towing rate or consent tow of \$300.00 (maximum) which includes one hour of wait time • Re-tow rate of \$100.00 (maximum) • Wait time of \$17.00 per 15 minutes to a maximum of \$68.00 per hour • Mileage (beyond town boundaries) of \$4.00 per kilometer
Toronto	\$250.00	<p>The maximum fee for accident tows set by the Executive Director or designate, determined by adjusting the 2017 fee of \$250.00 to account for annual changes in the Consumer Price Index for the Toronto Census Metropolitan Area as reported by Statistics Canada, plus applicable taxes.</p> <p>An owner of Driver may charge a hirer a fee of \$100.00, plus applicable taxes, for recovery services performed at the scene of an accident.</p>
Vaughan	\$250.00	<p>Not exceeding two thousand seventy-one (2,271) kilograms in towing weight from a collision scene in the City of Vaughan to any point within the City or any point outside the City, shall be charged an all-inclusive, flat-rate fee, with no additional charges other than applicable federal and provincial taxes, a maximum additional fee of one hundred (\$100.00) dollars for an Off-Road Recovery, the mileage rate of no more than three dollars and fifty-eight cents (\$3.58) per kilometer for the distance traveled beyond the limits of the City, or the collision reporting Centre wait time rate of sixty-seven (\$67.00) dollars per hour, calculated in 15 minute increments, after the first hour of wait time.</p>

Towing Industry Advisory Committee Work Plan

Issue	Action	Scope	Target Date
Re-tows and Collision Tow Rates	Staff Report	<ul style="list-style-type: none"> Benchmarking comparable jurisdictions Suggested action(s) and draft by-law, if applicable 	June 17, 2019
WSIB coverage for Tow Truck Drivers	Staff Report	<ul style="list-style-type: none"> Review of WSIB coverage for drivers 	September 16, 2019
Virtual Pound	Staff Report	<ul style="list-style-type: none"> Follow up report 	September 16, 2019
Vehicle Pound Moratorium	Staff Report	<ul style="list-style-type: none"> Benchmarking comparable jurisdictions Address validity of moratorium for non-safety issue 	November 4, 2019
Review of Driver Age Requirements	Item for Discussion	<ul style="list-style-type: none"> Benchmarking comparable jurisdictions Review HTA licence types that could be utilized to open licence 	November 4, 2019
Review the Flexible Cap Model for Tow Truck Licenses	Item for Discussion	<ul style="list-style-type: none"> Review previously proposed issuance models 	2020 Quarter 4