
Towing Industry Advisory Committee

Date

2019/09/16

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

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

Find it Online

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

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 - June 17, 2019

5. **DEPUTATIONS**

5.1. Guy Battaglini, Resident regarding provisions of the towing by-law

6. **PUBLIC QUESTION PERIOD** - 15 Minute Limit

(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. Virtual Pound Initiative Cancellation

7.2. Amendments to the Tow Truck Licensing By-law 521-04, as amended, requiring Tow Truck Drivers and Owners to have and maintain Workers' Compensation Insurance

(Please note that this report was considered at the September 20, 2016 TIAC meeting and was deferred to a future TIAC meeting TIAC-0012-2016)

7.3. Towing Industry Advisory Committee Work Plan 2019

8. **OTHER BUSINESS**

9. **DATE OF NEXT MEETING** - November 4, 2019

10. **ADJOURNMENT**

City of Mississauga
Minutes



Towing Industry Advisory Committee

Date

2019/06/17

Time

9:06 AM

Location

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

Members Present

Councillor Ron Starr (Chair)
Councillor George Carlson, (Vice-Chair)
Councillor Carolyn Parrish
Mark Bell, Citizen Member (Left at 10:00AM)
Robert Fluney, Citizen Member
Daniel Ghanime, Citizen Member
John C. Lyons, Citizen Member
Tullio (Tony) Pento, Citizen Member

Members Absent

Armando Tallarico, 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 ☐ 9:06AM2. APPROVAL OF AGENDAApproved (M. Bell)3. DECLARATION OF CONFLICT OF INTEREST ☐ Nil4. MINUTES OF PREVIOUS MEETING4.1. Towing Industry Advisory Committee Minutes - April 23, 2019Approved (T. Pento)5. DEPUTATIONS ☐ Nil6. 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 CONSIDERED7.1. Review of Collision to Tow Rate

Michael Foley, Manager, Mobile Licensing Enforcement spoke to the review of the collision to tow rate and that an increase in the tow rate is not recommended at this point in time.

Members of the Committee spoke to the review of the collision to tow rate and made the following comments: how the review of the police collision reporting centre waiting period time was conducted; that other municipalities allow charging for kilometers driven; that the wait time at the police collision centre is a minimum 3 hours; that some of the reported tow rates are incorrect; that a re-tow rate from the reporting centre needs to be established; and that the flat tow rate needs to be increased.

Samuel Rogers, Director, Enforcement and Mr. Foley responded to questions and spoke to redefining what a re-tow is, reviewing other municipalities by-laws; and reviewing a re-direct tow rate.

Allen, Seneca Towing spoke to the lack of information regarding tow rates and that clarification is needed between the re-direct tow rates and the re-tow rates.

Lisa Goncalves, Abrams Towing spoke to the waiting time at an accident scene. Daniel Ghanime, Citizen Member and Robert Fluney, Citizen Member spoke to the Provincial legislation and the reporting centre.

RECOMMENDATION

TIAC-0002-2019

1. That a by-law be enacted to amend the Tow Truck Licensing By-law 0521-2004, as amended, to increase the all-inclusive collision tow rate not going to a collision reporting centre from \$290.00 to \$300.00
2. That a by-law be enacted to amend the Tow Truck Licensing By-law 0521-2004, as amended, to add an all-inclusive collision tow rate going to a collision reporting centre to \$400.00
3. That staff review and report back on the current re-tow rates

Approved (Councillor Parrish)

7.2. Towing Industry Advisory Committee Work Plan

No discussion took place.

8. OTHER BUSINESS

John Lyons, Robert Fluney and Daniel Ghamine, Citizen Members spoke to the increase in insurance rates and that the storage rates need to be reviewed and increased.

9. DATE OF NEXT MEETING - September 16, 2019

10. ADJOURNMENT □ 10:47AM (T. Pento)

City of Mississauga Corporate Report



Date: 2019/09/03

Originator's files:

To: Chair and Members of Towing Industry Advisory Committee

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

Meeting date:
2019/09/16

Subject

Virtual Pound Initiative Cancellation

Recommendation

That the report "Virtual Pound Initiative Cancellation" be received by the Towing Industry Advisory Committee for information.

Report Highlights

- The procurement process did not identify a web based solution that would meet the requirements for the implementation of a Virtual Pound.
- Data collected over an 18 month period indicates that 26% of tow trucks did not submit Permission to Tow Forms as required.
- New enforcement initiatives will strengthen the use of Permission to Tow Forms.

Background

In 2016 the City of Mississauga approved funding for a "Virtual Pound Initiative" to create a web based application allowing for the registration of a vehicle being towed from an accident collision scene by a licensed Tow Truck operator and the tracking of the vehicle to the vehicle owner's desired location or to a Vehicle Pound. The application would register the vehicle and track storage time. It was intended to provide real time information to Enforcement staff to assist the public with locating their vehicle and determining the amount of storage time elapsed. The procurement process was initiated in January of 2017 and concluded in March of 2018.

Comments

Procurement Results

No successful vendor was identified through the procurement process. Only two vendors expressed an interest in making a submission, with neither vendor presenting a product that

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was identified as having the necessary capabilities to effectively address the shortcomings of the existing Permission to Tow Form requirement. Further, the projected costs of the proposed solutions far exceeded the approved \$189,500 in capital funding.

Permission to Tow Form Compliance Rates

During the period of June 2016 to December 2017, all licensed Tow Operators were required to submit a copy of completed Permission to Tow (PTT) Forms to Mobile Licensing Enforcement. A total of 35,554 PTT forms were collected.

During the same period, inspection data collected in the field by Mobile Licensing Officers showed that 26% of all Tow Trucks captured in the data submitted no PTT Forms. The same inspection data indicated that 13% of tow trucks inspected on five or more occasions did not submit PTT forms. An additional 20% of the Tow Trucks, having received five or more inspections, reported less than 10 tows requiring a PTT form during the same period.

Possible reasons for these low numbers include the following:

- Vehicles that tow primarily at collision scenes may do relatively few tows hence relatively few PTT forms would be produced.
- A failure to complete the required PTT form.
- A failure to submit the required PTT form
- A lack of clarity as to when a PTT Form is required.

For this report staff also reviewed 111 complaints received from the public during the past 10 months involving towing services or vehicle pound facilities. (Appendix 1)

Of the 111 public complaints 50 were identified as primarily being related to the service being provided by the Tow Truck operator and included issues related to acceptance of various payment types, licence status of the vehicle or driver and failing to follow directions provided by the customer.

The remaining complaints (61), dealt with the Vehicle Pound Facility where a vehicle had been towed following a collision. Again complaints were received on a variety of issues, the two most common complaints were for the release of the vehicle and issues related to a "Work Order" and accounted for 60% of the total.

Of all 111 complaints related to towing reviewed, only 1 complaint (>1%) identified that the complainant was unaware as to the location of their vehicle. This was due to the fact that no Permission to Tow Form was completed on the scene and was resolved by staff as the complainant was able to identify the Tow Truck municipal Licence number. A web based application implemented as a replacement for the current PTT form would therefore have little impact on the majority of complaints related to towing services provided to the public.

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Collision Scene Enforcement Action Plan

It has been identified that a strengthened collision scene enforcement plan will address many of the issues surrounding the use of PTT forms including:

- Stronger compliance on the part of industry members with the requirement to provide a PTT form.
- Encourage the completion of the PTT form prior to engaging in service.
- Educating the public regarding the requirements of the by-law and the consumer protection provided.

This enforcement plan will include a number of elements to improve compliance with the PTT form requirements of the by-law and focus enforcement resources on assisting the general public with fully understanding their rights as a consumer prior to hiring a tow truck at the scene of an accident. These elements include:

- Attendance at accident scenes to ensure that the current Permission to Tow Form is utilized appropriately, including informing the public of their right to choose a provider, the requirement to have the PTT form completed prior to the tow commencing and the option to provide various forms of payment.
- Inspecting accidents scenes from a distance and then auditing the Tow Truck Driver to ensure that Permission to Tow Form was completed.
- Expanded weekend and evening hour enforcement through the use of additional staffing resources.
- Improved public education as to the consumers rights as they relate to collision towing through the use of social media and through a printed brochure to be distributed to the consumer at the scene of an accident, or prior to an accident taking place through other sources. This brochure is based on the requirements of the Towing By-law and is consistent with the information provided by the Financial Services Commission of Ontario. (Appendix 2 and 3)
- Increased enforcement activity for Industry Members who receive higher than average complaint volumes.

Elements of enhanced Tow Truck Licensing enforcement have already been undertaken. Resources that were previously used for twice yearly mandatory inspections have been reassigned to on-road enforcement as staff endeavour to attend all accident scenes where towing activity is occurring.

The use of accident scene auditing, printed media and social media will formally begin in the fall of 2019.

Financial Impact

There is no financial impact.

Conclusion

Through the procurement process no vendor was identified that could provide a web based solution that would significantly enhance the consumer protection provided by the current Permission to Tow form requirements. Research indicates that issues arising from an inability to identify the initial tow provider and the current location of the towed vehicle are infrequent. Web based technology, while allowing for the smoother collection of data, provide limited protection from licensees who simply choose not to use the technology, use the technology improperly or to use in a deceptive manner.

It is concluded that better consumer protection can be achieved through a robust public education programme that informs the consumer as to what the by-law requires of the towing industry.

Attachments

Appendix 1: Virtual Pound

Appendix 2: Towing Pamphlet

Appendix 3: Tips for Avoiding Tow Truck and Storage Scams



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

Prepared by: Michael Foley, Manager Mobile Licensing

Analysis of Complaints related to Towing and Vehicle Pounds

Complaints- Tow Truck Activity	Number
Driving - excessive speed, erratic manoeuvres	5
Behaviour- swearing, intimidation, creating a nuisance	3
Billing- improper bill, overcharge,	4
Licence- expired licence, unlicensed	14
Fail to follow Hirer's direction	11
Payment- cash discounts, refusal to accept other than cash	5
Unauthorized- towing from private property without permission	3
Permission to Tow Form- not presented, prefilled with location	3
Vehicle Condition- Tow Truck in poor repair	1
Location- unaware as to location of towed vehicle.	1
Total	50

Complaints- Vehicle Pound Activity	Number
Security- material missing from vehicle, damage while in pound	2
Release of the Vehicle- PMR unavailable, unwilling to provide payout,	20
Access- unable to retrieve personal items	4
Billing- over charge for storage, additional fees	12
Payment form- requiring cash	1
Customer service- inappropriate behaviour	1
Work Order- did not sign, misrepresented,	17
Licence- licence expired, unlicensed	3
Hours- not open weekend, phone number unanswered	1
Total	61

VEHICLE COLLISION TOWING GUIDE

DO YOU KNOW YOUR RIGHTS?

Under The Tow Truck By-Law 521-04 Consumers Have
The Following Rights:

1. You have the right to choose a tow truck provider and where you want the vehicle towed to, unless instructed by an emergency services worker on the scene.
2. The *Permission to Tow a Vehicle Form* is the only document you are required to sign and must be completed before the tow truck driver can start the tow.
3. Collision related towing of a passenger vehicle is \$300+HST, or \$400 + HST if your tow includes a trip to a Collision Reporting Centre. Additional fees can only be applied for towing outside of the City of Mississauga.
4. Tow truck drivers are required to accept multiple forms of payment including cash, debit or credit.
5. Before demanding payment for towing services, the tow driver must provide an itemized bill of services.

WHO TO CALL

- Emergency: 9-1-1
- Peel Police: 905-453-3311
- OPP: 1-888-310-1122 or *OPP
- Your Insurance Provider



COLLISION SCENE TIPS

- Take photos of any damage
- Read over the Permission to Tow a Vehicle Form prior to signing
- Do not sign anything you haven't read or understood
- Look for the City of Mississauga licence plate in rear window of the tow truck
- Record names and licence plate numbers
- Take your personal belongings
- Keep track of dates, times, locations

PERMISSION TO TOW A VEHICLE FORM

[illegible]



TOW TRUCK AND STORAGE SCAMS

Tips for Avoiding Tow Truck and Storage Scams

Scams relating to auto insurance can take many forms, but they all have one thing in common – they cost everyone! All policyholders end up paying for inflated or improper payments associated with an insurance claim.

By being an informed consumer, you can help eliminate these scams – and lower auto insurance premiums.

How Do Tow Truck and Storage Scams Work?

A tow truck driver may be paid a referral fee by a vehicle repair or body shop to have damaged vehicles towed there. These types of tow truck drivers are known in the industry as "chasers." A tow truck driver may be breaking a municipal bylaw by recommending a repair shop without being asked. To recover these referral fees, tow truck drivers and vehicle repair or body shops may "pad" their bills. In the end, you and other policyholders end up paying.

Many "chasers" are owned or controlled by vehicle repair shops. Insurance companies may or may not do business with these shops. If your vehicle is towed to a repair shop and you later choose to have it towed to a different shop, you may still be required to pay the original repair shop for the towing service, storage and possibly other administrative fees. These fees can add up to hundreds or even thousands of dollars, and your insurer may not cover these fees. If you or your insurance company refuse to pay them, the Repair and Storage Liens Act permits the vehicle repair shop to sell your vehicle to cover the fees.

What Can You Do?

Be informed. If you require the services of a tow truck driver, know your rights. Here are some tips:

- Some large municipalities (such as Brampton, Hamilton, Mississauga, Toronto and Windsor) licence tow trucks and require drivers to post a municipal licence number on their trucks. If you're in such a community, check if the tow truck has a municipal licence number on its side before you use its services.



- Look to see if the tow truck is affiliated with a reputable company such as an automotive roadside assistance group or automobile association.
- Listen for obvious clues. Does the driver recommend a particular repair facility without being asked? If so, this might be an indication that a referral fee arrangement exists. In some municipalities, making such a recommendation may be illegal.
- Carefully read everything the tow truck driver asks you to sign.
- Ask that your vehicle be taken to a secure location where an adjuster or appraiser from your insurance company can have access to it. Some municipalities require that your vehicle be taken to a Collision Reporting Centre or police station before it goes anywhere else.
- You have the option to choose where to have your vehicle towed to for repairs. Some insurance companies use preferred repair shops where they have an agreement that guarantees your vehicle will be repaired to the highest possible standards. For more information, contact your insurance company.

Protecting Consumers

As of January 1, 2017, tow truck drivers are subject to new requirements under the Consumer Protection Act, 2002. These requirements include, but are not limited to:

- posting towing and storage prices at their place of business and on any existing website,
- providing a detailed invoice of services,
- disclosing any interest in a location to which a vehicle is being towed, and allowing vehicle owners access to remove property from stored vehicles at storage locations without any charge between 8am and 5pm on business days.

For more information visit the **Consumer Protection Act, 2002**.

City of Mississauga

Corporate Report



Date: 2016/09/08

Originator's files:

To: Chair and Members of Towing Industry Advisory Committee

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

Meeting date:
2016/09/20

Subject

Amendments to the Tow Truck Licensing By-law 521-04, as amended, Requiring Tow Truck Drivers and Owners to have and maintain Workers' Compensation Insurance

Recommendation

That a by-law be enacted to amend the Tow Truck Licensing By-law 521-04, as amended, effective March 1, 2017, outlining the requirements for tow truck owners and drivers to have and maintain Worker's Compensation Insurance as outlined in the report from the Commissioner of Transportation and Works dated September 8, 2016, entitled "Amendments to the Tow Truck Licensing By-law 521-04, as amended, Requiring Tow Truck Drivers and Owners to have and maintain Workers' Compensation Insurance".

Background

The Tow Truck Industry has raised concerns that some tow truck drivers may not have Worker's Compensation Insurance. Insurance coverage is not a requirement of the by-law and the Vehicle Pound Facilities (VPF) and private property owners require assurance that a driver entering their property is properly covered. The VPFs and private property owners may be liable in the event that a tow truck driver or owner experiences an injury or accident on their property.

Comments

Staff are not in a position to provide a property owner with information if requested about the Worker's Compensation Insurance coverage for a tow truck driver or owner if the question is raised, as the Tow Truck Licensing By-law 521-04, as amended, does not require tow truck operators to have Workers' Compensation Insurance. The City has the ability to amend the by-law and ensure that all tow truck drivers and owners are taking responsibility and maintaining Worker's Compensation Insurance coverage. The amendment to the by-law would provide the public with a level of comfort that the operators that they are dealing with are properly insured in the case of an accident or injury while on their property.

Staff have benchmarked the following four municipalities Markham, Vaughan, Brampton and Toronto, which licence tow trucks and drivers and found that no other municipality has implemented a by-law to require tow truck owners or drivers to have Worker's Compensation Insurance coverage.

Staff contacted the Worker's Compensation Insurance Board (WSIB) to determine the cost of Worker's Compensation Insurance of tow truck owners and drivers. The information provided indicates the cost is \$6.72 for every \$100 of a worker's salary. The owner of a tow truck will be responsible to pay for the coverage costs of employees.

Staff are recommending that tow truck owners and drivers implement the changes within six months from the date the amended by-law is approved by Council. This will allow tow truck owners and drivers sufficient time to comply with the new by-law and submit all documents in accordance with the by-law to Mobile Licensing.

Financial Impact

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

Conclusion

Staff recommend that amendments be made to the Tow Truck Licensing By-law 521-04, as amended, to include a requirement for tow truck drivers and owners to have and maintain Workers' Compensation Insurance and to submit insurance documents with their licence applications and renewals.



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

Prepared by: Afsheen Adam-Haji, Policy Research Intern, Enforcement

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 <input type="checkbox"/> COMPLETED
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