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**TO:** GENERAL COMMITTEE

**SUBJECT:** MEMORANDUM OF UNDERSTANDING WITH HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS REPRESENTED BY MINISTER OF GOVERNMENT AND CONSUMER SERVICES – TOWING INDUSTRY

**WARD:** ALL

**PREPARED BY AND KEY CONTACT:** D. MCALPINE, CITY CLERK/DIRECTOR OF LEGISLATIVE AND COURT SERVICES, EXT. #4421

**SUBMITTED BY:** D. MCALPINE, CITY CLERK/DIRECTOR OF LEGISLATIVE AND COURT SERVICES

**GENERAL MANAGER APPROVAL:** P. ELLIOTT-SPENCER, GENERAL MANAGER OF COMMUNITY AND CORPORATE SERVICES

**CHIEF ADMINISTRATIVE OFFICER APPROVAL:** C. LADD, CHIEF ADMINISTRATIVE OFFICER

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**RECOMMENDED MOTION**

1. That the City Clerk be authorized to execute a Memorandum of Understanding between Her Majesty the Queen in Right of Ontario as represented by the Minister of Government and Consumer Services regarding oversight of the towing and storage services sector.
2. That the City Clerk be authorized to execute amendments to Memorandum of Understanding where the amendments are in keeping with the general intent and purpose of the original agreement.
3. That By-law 2006-265, a by-law to license, regulate and govern transportation related businesses be amended to identify that either Vehicle Safety Standards Certificate or Commercial Vehicle Operator's Registration (CVOR) shall be required at the time of application for a tow truck business licence.

**PURPOSE & BACKGROUND**

4. Effective January 1, 2017, new requirements were imposed on towing and vehicle storage providers in Ontario under the *Consumer Protection Act*, *Highway Traffic Act* and *Repair and Storage Liens Act*. The changes were made to improve oversight of the towing and storage services sector related to consumer protection, road safety and automobile insurance fraud.
5. The City of Barrie currently regulates towing, taxi, limousine and similar transportation businesses under By-law 2006-265.
6. Both the new requirements under the *Consumer Protection Act* and By-law 2006-265 contain a number of provisions that are similar as they have the common purposes.

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**ANALYSIS**

Proposed Memorandum of Understanding

7. The Ministry of Government and Consumer Services is seeking the City's cooperation to improve the delivery of both parties' oversight role of the towing and storage service sector. The Ministry is proposing a Memorandum of Understanding to set out a framework to support this relationship.
8. The Memorandum of Understanding would establish principles related to cooperation between the parties and provisions related to the exchange of information concerning breaches or possible breaches of the *Consumer Protection Act*. The City and the Ministry would provide each other with business contact information, business licence numbers, information concerning breaches or potential breaches of the *Consumer Protection Act* and any actions related to enforcement activities. Personal information of a consumer who made a complaint or reported an incident would not be exchanged.
9. Under the Memorandum of Understanding, the Ministry would endeavour to provide the City with information related to inspections and investigations.
10. If approved for execution, the Memorandum of Understanding would continue in effect until terminated. It could be terminated upon 30 days written notice by either party or with the agreement of both parties.
11. Paragraph 2 of the recommended motion would also authorize the City Clerk to sign amendments to the agreement where the amendments are in keeping with the general intent of the agreement, without the requirement for a separate staff report each time.

Proposed Amendments to By-Law 2006-265

12. The City's business licensing by-law requires every owner of a tow truck to submit the tow truck for safety inspection annually and the owner to provide a copy of the valid and current Safety Standards Certificate issued, at the time the owner makes application for the business licence or any renewal. This requirement is identified in both Section 10.2.4.0.0 and Table 1 of the By-law. This requirement is in place to ensure that the vehicle meets specific safety standards.
13. The changes to the *Highway Traffic Act* now require a tow truck operator to hold a valid Commercial Vehicle Operator's Registration (CVOR) by January 1, 2017. This requirement is intended to address similar vehicle safety standards as the Safety Standards Certificate.
14. Paragraph 3 of the recommended motion would allow for either a valid and current Safety Standards Certificate or a Commercial Vehicle Operator's Registration (CVOR) to be provided at the time of application for a business licence or a renewal, rather than requiring a business operator to obtain two different documents that both are intended to vehicle safety.

**ENVIRONMENTAL MATTERS**

15. There are no environmental matters related to the recommended motion.

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**ALTERNATIVES**

16. The following alternatives are available for consideration by General Committee:

**Alternative #1** General Committee could recommend that the Memorandum of Understanding not be executed.

This alternative is not recommended as the City may not receive information from the Ministry regarding their records and inspections, which may benefit consumers in this area.

**Alternative #2** General Committee could recommend that the Memorandum of Understand be executed but not provide authority for the Clerk to execute any other amending agreements.

Although this alternative is available, it would require a separate staff report to be presented whenever the Ministry made a minor change to the Memorandum of Understanding.

**Alternative #3** General Committee could recommend that a CVOR not be accepted instead of a Safety Standards Certificate when an application for business licence or renewal is submitted.

Although this alternative is available, it would require the tow truck owner to obtain two different sets of documents related to vehicle safety standards which may result in unnecessary added costs for the business owner.

**FINANCIAL**

17. There are no direct financial implications for the Corporation resulting authorizing the City Clerk to execute the Memorandum of Understanding.

**LINKAGE TO 2014-2018 STRATEGIC PLAN**

18. The recommendation(s) included in this Staff Report are not directly related to the goals identified in the 2014-2018 Strategic Plan.