

February 9, 2023

Wayne Emmerson
Chair, Regional Municipality of York Police Services Board
York Region Administrative Centre
17250 Yonge Street
Newmarket, ON L3Y 6Z1

Dear Chair Emmerson,

RE: P-17-07, Towing & Impound Services – 4 District and Vaughan By-law 122-2022

I am writing on behalf of Insurance Bureau of Canada (IBC) and its member property and casualty insurers to express concern with the above-referenced contracted towing and storage rates for York Regional Police (YRP) 4 District, located in Vaughan. Not only are higher rates problematic as Ontarians are grappling with a cost of living crisis, some of the contracted rates appear to violate the ceiling set by Vaughan's Business Licensing By-law 122-2022.

The contract for YRP-directed towing and impound services in 4 District rests with 730162 ONT. LTD. (York Auto). York Auto previously held the contract in this district, which expired on December 31, 2022. The Regional Municipality of York Police Services Board sought to extend the contract on a month-to-month basis until December 31, 2023, "subject to a pricing adjustment."¹ York Auto subsequently agreed to extend the contract subject to an 18% price adjustment for all listed services.

IBC does understand that YRP's focus is on clearing vehicles efficiently in order to reduce secondary collisions and promote road safety. IBC does not understand why greater consideration is not given to the towing and storage costs that allow such clearance to take place. An 18% rate increase is almost three times higher than Canada's overall inflation rate of 6.3%,² and is difficult to both justify and understand. These increases will further add to the costs facing Vaughan's drivers in need of towing and storage-related services. Placing additional cost pressures on taxpayers insurance affordability is something all parties should strive to avoid, particularly during these challenging economic times.

The increases are also inconsistent with relevant By-law provisions. Section 29 of Vaughan By-law 122-2022 governs tow trucks, including rates. Rates for (light-duty) towing and storage services delivered in Vaughan must be in accordance with the By-law's prescribed rates, set out

¹ P-17-07, Towing & Impound Services – 4 District – 2022 Contract Extension

² [Statistics Canada – Consumer Price Index, December 2022](#)

in a schedule found in s.29 (44).³ A schedule covering the same services, albeit for heavy-duty tows, is found in s.29 (46.1). The services included in these rate schedules include:

- a) All-inclusive tow
- b) Off-road recovery
- c) Per-kilometre mileage
- d) Collision Reporting Centre wait time
- e) Dollies
- f) Second truck
- g) Winching
- h) Tarping
- i) Absorbent material
- j) Any other additional fees approved by the Chief Licensing Officer

However, s.29 (48) states that the “By-law does not prohibit the entering into of a written contract or agreement between the Tow Truck Owner or a Tow Truck Brokerage, and ... any government or local board thereof ... providing for the provision of towing services.”⁴ Section 29 (48.1) proceeds to exempt tow truck owners or brokers “from the schedule of rates referred to in Sections 29.0(44) and 29.0(46.1).”⁵

York Auto’s YRP contract contains rates above what is prescribed in the By-law, as they are – to our dismay – authorized to do under the s.29 (48.1) exemption. However, the section is clear that the exemption only extends to the above-listed services. Notably absent from that list is anything pertaining to vehicle storage, which is covered by a separate rate schedule in s.29 (61). Vaughan’s prescribed storage rates are \$55/day for outdoor storage and \$60/day for indoor storage. Under the proposed pricing adjustment, York Auto is seeking to charge \$70.80 for outdoor storage and \$76.70 for indoor storage, respectively.

While By-law 122-2022 permits York Auto to charge above the municipal rate cap for towing and associated services (e.g., winching, dollies) listed under s.29 (44), it is our understanding that this authority does not extend to the vehicle storage rates prescribed in s.29 (61). IBC therefore requests that York Auto be limited to charging Vaughan’s prescribed vehicle storage rates in YRP District 4. Moreover, there is a risk that other facilities with municipal contracts may be charging for storage in contravention with the By-law. IBC therefore further requests that Vaughan By-law & Compliance, Licensing & Permit Services staff protect their citizens by issuing a notice to all licensed towing and storage operators and brokers that storage rates cannot exceed what is set out under s.29 (61).

Vaughan’s existing prescribed storage rates of \$55 and \$60 per day already provide fair market value to operators like York Auto and are reasonable in the broader GTA and North American

³ [By-law 122-2022, s.29 \(44\)](#)

⁴ [Ibid., s.29 \(48\)](#)

⁵ [Ibid., s.29 \(48.1\)](#)

context. IBC and the insurance industry would welcome the opportunity to discuss this at greater length and to participate in future towing and storage-related discussions in order to bring a valuable consumer perspective to the table.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'K. Donaldson', with a long horizontal flourish extending to the right.

Kim Donaldson
Vice President, Ontario

Attachments – P-17-07, Towing & Impound Services – 4 District – 2022 Contract Extension

c.c.: Chief Jim MacSween – York Regional Police
Deputy Mayor, Local and Regional Councillor Linda D. Jackson – Regional Municipality of York Police Services Board
Rudi Czekalla-Martínez – City of Vaughan, By-law & Compliance, Licensing & Permit Services
Lori Jackson – York Regional Police

YORK REGIONAL POLICE
PURCHASING UNIT
47 Don Hillock Dr
Aurora, ON L4G 0S7



Thursday, December 29, 2022

Tony Di Meo
President
730162 ONT. LTD. O/A York Auto
Concord, Ontario L4K 1G6

RE: P-17-07, Towing & Impound Services - 4 District - 2022 Contract Extension

Please be advised that the contract for the provision of Towing and Impound Services for 4 District in Vaughan expires December 31, 2022. The Regional Municipality of York Police Services Board is looking to extend the current Agreement with 730162 ONT. LTD. O/A York Auto on a month-by-month basis with the maximum period of up to 12 months until December 31, 2023, until a new procurement process has been issued and awarded.

As the extension of is outside of the maximum five (5) year contract term, please confirm on the attached form that 730162 ONT. LTD. O/A York Auto is in agreement with extending the contract with the same terms subject to a pricing adjustment as noted by signing and returning to the undersigned.

If you have any questions concerning the above request, please do not hesitate to contact me.

Regards,

Lori Jackson B.Sc., CPPO
Procurement Analyst
Purchasing Unit, York Regional Police
905-830-0303 x.6912
5968@yrp.ca

cc. file

Josie Filippelli
Bylaw, Citizen Service Representative
City of Vaughan

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EXTENSION OF P-17-07 – TOWING AND IMPOUND SERVICES – 4 DISTRICT
RETURN ATTN: Lori Jackson EMAIL 5968@YRP.CA

730162 ONT. LTD. O/A York Auto is in agreement with the extension of Contract P-17-07 on a month-to-month basis for the maximum period of up to 12 months until December 31, 2023, in accordance to the Terms, Conditions & Specifications of the Contract subject to the following price adjustment noted below.

SERVICE PROVISION	EXISTING	PROPOSED
Light Duty Hook Up		
Towing by small truck - call	\$130.00	\$153.40
cost/km	\$3.50	\$4.13
Medium Duty Hook Up		
Towing by medium truck - call	\$145.00	\$171.10
cost/km	\$4.50	\$5.31
Large Duty Hook Up		
Towing by large truck - call	\$400.00	\$472.00
cost/km	\$4.50	\$5.31
Winching (min rate 1/2 hour)	\$50.00	\$59.00
Dollies - flat rate	\$60.00	\$70.80
Waiting time (after 30 ins)	\$50.00	\$59.00
Outdoor pound fees	\$60.00	\$70.80
Indoor pound fees	\$65.00	\$76.70
CCC:VIP Impound Storage	\$35.00	\$41.30
Flatbed in conjunction with tow		
Truck	\$190.00	\$224.20
cost/km	\$4.00	\$4.72
Extra charge for out of boundary towing (cost/km)	\$4.00	\$4.72
New Items		
Clean Up (45mins+)	n/a	\$100.00/scene
Heavy LTS / Reserve	n/a	\$250/vehicle/month

Please sign below indicating your acceptance and agreement of this extension letter.

Witnessed by:



(Sign)

Dante Di Meo

(Please print Name)

Authorized by:



(Sign)

Tony Di Meo

(Please print Name)

