

**TO:** CITY MANAGER **DATE:** 2001 05 23  
**FROM:** DIRECTOR ENGINEERING **FILE:** 10-06-02 (01)  
**SUBJECT:** **HIT AND RUN DAMAGE TO CITY PROPERTY**  
**PURPOSE:** To seek Council support for a UBCM motion requiring ICBC to compensate local governments for hit and run damage to public property

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**RECOMMENDATION:**

1. **THAT** Council approve the attached UBCM resolution regarding recovery of costs associated with hit and run damage to public property on rights of way.

**R E P O R T**

**1.0 INTRODUCTION**

City infrastructure is routinely damaged in vehicle collisions. Street furniture including signal equipment, sign posts and street lights are most at risk of being damaged. Where vehicles or drivers can be identified the City opens a claim with ICBC and is duly paid for the cost of repairs.

Increasingly often we find there is no way of ascertaining the circumstances of the collision. The problem is most acute in single vehicle loss of control incidents which often occur at night when there are no witnesses. Such collisions may be associated with high speed and possible alcohol involvement all of which results in the motorist not reporting the event accurately or at all.

A review of collision related damage claims indicates that the city has been writing off a sum approaching \$100,000 per annum in recent years.

**2.0 ICBC POSITION**

The BC Insurance (Motor Vehicle) Act includes the provision of a "Remedy for damage in a hit and run accident" (Section 24) whereby a person can claim against ICBC for recovery. However, this proviso is not enjoyed by the City as reaffirmed by ICBC recently.

“ Please be advised that unless the City of Burnaby can identify the specific vehicle/policy for the liable motorist, any claims made against the Insurance Corporation of British Columbia is legally defined as an unidentified motorist claim. Under the Regulations to the Insurance (Motor Vehicle) Act, it states that Insurance Corporation of British Columbia is not liable for any damage to highway or a structure or thing placed or maintained in or on under or over a highway of a municipality. Therefore, the City of Burnaby is not legally entitled to recover a loss from the unidentified motorist.”

### 3.0 DISCUSSION

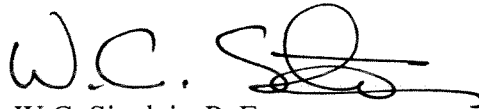
In recent years motoring has been criticized as an activity where demand exceeds the appropriate economic level because of inadequacies in pricing specifically relative to marginal social costs. While Travel Demand Management remedies such as electronic road pricing are still remote it would be appropriate to ensure that at least, on aggregate, vehicle travel was “paying” its way. From a road crash perspective this would require insurance premiums that more truly reflected the total cost of collisions. Accordingly from a public policy perspective it would be appropriate for ICBC to pay for the hit and run collision costs incurred by public agencies.

### 4.0 CONCLUSION

For ICBC to change its practice there would need to be a change in the regulations to the Insurance Motor Vehicle Act. The specific regulation referred to states:

“ *The corporation is not liable in respect of ..... a claim under section 24 of the Act by the Province or Canada or by a municipality, public or private utility or other similar person in respect of damage to a highway or a structure or thing placed or maintained in, on, under or over a highway.* ”

This change would come from the provincial government. Accordingly, it would be appropriate for the City to garner support for this action through the UBCM. A draft UBCM resolution is attached.



W.C. Sinclair, P. Eng.  
DIRECTOR ENGINEERING,

PL:jh  
Attach.

cc: Director Finance  
City Solicitor  
Director Planning

**DRAFT UBCM RESOLUTION  
RECOVERY OF HIT AND RUN COLLISION DAMAGE  
COSTS BY LOCAL AUTHORITIES**

**Whereas** it is desirable for motorists to bear the full cost of travel, including the cost of damage to private and public property caused by collisions through insurance premiums;

**Whereas** the Insurance Corporation of British Columbia is required by law to compensate private property owners for hit and run damage to private property, but not local governments for hit and run damage to public infrastructure;

**Therefore be it resolved** that the regulations to the Insurance (Motor Vehicle) Act, and specifically s.107 of B.C. Regulation 447/83, be amended so that hit and run damage costs incurred by local governments are recoverable from ICBC.

