

## **Non-Competitive Contract with Ontario Medical Supply Inc. for the Supply and Delivery of Pharmaceuticals for Toronto Paramedic Services**

**Date:** September 5, 2025

**To:** General Government Committee

**From:** Chief, Toronto Paramedic Services and Chief Procurement Officer

**Wards:** All

### **SUMMARY**

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The purpose of this report is to request authority to enter into a non-competitive contract with Ontario Medical Supply Inc. for the supply and delivery of pharmaceuticals for Toronto Paramedic Services in the amount of \$1,500,000 net of all applicable taxes and charges (\$1,526,400 net of Harmonized Sales Tax Recoveries) for a period of one (1) year commencing on November 1, 2025 to October 31, 2026 with no optional periods.

Toronto Paramedic Services leveraged the City of Hamilton's Request for Tender Number C5-02-20 to issue a blanket contract to Ontario Medical Supply Inc. for the supply and delivery of pharmaceuticals, information, advice, problem-solving, and in-service assistance on an as-needed basis. The existing blanket contract's third and final option period will expire on October 31, 2025. Toronto Paramedic Services continues to require the supply and delivery of pharmaceuticals. A non-competitive contract is required due to delays in preparing and finalizing a new contract. Toronto Paramedic Services is working on a novel collaborative procurement with group purchasing organizations but has encountered unexpected barriers in the execution of a contract. This collaborative procurement, if successful, will yield a significant cost saving for the City as the pharmaceuticals will come directly from the manufacturers and distributors.

This non-competitive contract with Ontario Medical Supply Inc. will ensure continuity of service and avoid any service interruption concerning the supply and delivery of pharmaceuticals until October 31, 2026, when a new contract should be in place. Ontario Medical Supply Inc. has confirmed their willingness to extend services under the same terms and conditions of blanket contract number 47024261 for the duration of the contract period.

Non-competitive procurements may be undertaken where both the proposed procurement and supplier can be justified in good faith based on an exception set out in Toronto Municipal Code Chapter 195, Procurement. This non-competitive procurement

will be proceeding under the exception code related to Bridging Contract, the City has determined in good faith that both the proposed procurement and the selected supplier, along with the terms and conditions of the contract are beneficial to the City (Toronto Municipal Code, Chapter 195, Procurement, Section 7.1K.).

General Government Committee approval is required in accordance with Municipal Code Chapter 195, Purchasing, where the current request exceeds the Chief Procurement Officer's authority of the cumulative five-year commitment limit for each vendor under Article 7, Section 195-7.3(D) of the Purchasing By-law or exceeds the threshold of \$500,000 net of Harmonized Sales Tax allowed under staff authority as per the Toronto Municipal Code, Chapter 71, Financial Control, Section 71-11(A).

## RECOMMENDATIONS

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The Chief, Toronto Paramedic Services and Chief Procurement Officer recommends that:

City Council, authorize the Chief, Toronto Paramedic Services to negotiate and enter into a non-competitive agreement with Ontario Medical Supply Inc. for the supply and delivery of pharmaceuticals in the amount of \$1,500,000 net of Harmonized Sales Tax (\$1,526,400 net of Harmonized Sales Tax Recoveries) for a period of one (1) year, commencing on November 1, 2025 to October 31, 2026, with no optional periods.

## FINANCIAL IMPACT

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The potential contract value identified in this report is \$1,500,000 net of all applicable taxes and charges. The total estimated cost to the City is \$1,526,400 net of Harmonized Sales Tax Recoveries.

Funding in the amount of \$254,400 is included in the 2025 Operating Budget for Toronto Paramedic Services, and sufficient funding will be requested through the 2026 Operating Budget submission. Further funding details are provided in the table below.

Table 1: Financial Impact Summary by Contract Year

<b>Toronto Paramedic Services Operating: A – Cost Centre: B46700, B29100, B29120, B45519, B45555, B46750, B46753, B46752, B46751 B - Cost Element: 2820, 2823</b>	<b>Total Amendment Value (Net of Harmonized Sales Tax Recoveries)</b>
November 1, 2025 to December 31, 2025	\$254,400
January 1, 2026 to October 31, 2026	\$1,272,000
<b>Total (Net of Harmonized Sales Tax Recoveries)</b>	<b>1,526,400</b>

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

## **DECISION HISTORY**

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On March 23, 2022, the Bid Award Panel adopted BA180.3 authorizing the Chief Procurement Officer, Purchasing and Materials Management, after reviewing the City of Hamilton's Request for Tender Number C5-02-20, to enter into an agreement with Ontario Medical Supply Inc. for the supply and delivery of pharmaceuticals, information, advice, problem-solving, and in-service assistance to support the City of Toronto's Paramedic Services Division operations, from April 1, 2022, to October 31, 2022, with the option in favor of the City to renew the contract for three (3) additional separate one (1) year periods, at the sole discretion of the City and subject to budget approvals. The Bid Award Panel decision can be found at:

<https://www.toronto.ca/legdocs/mmis/2022/ba/bgrd/backgroundfile-222894.pdf>

## **COMMENTS**

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The City of Toronto leveraged the City of Hamilton contract for the recommended award, as per the Toronto Municipal Code, Chapter 195-6.6 - Procurement of same goods and services as a public body.

Toronto Paramedic Services recommends proceeding with a non-competitive contract with the current supplier, Ontario Medical Supply Inc. to ensure continuity of supply while a new long-term solution is being finalized.

This interim measure is necessary to avoid disruption in the availability of critical pharmaceutical products that directly support Toronto Paramedic Services' operational readiness and frontline care. The current blanket contract is expiring October 31, 2025 and there is not sufficient time to complete a collaborative procurement process without risking service gaps or delayed access to essential medications. Toronto Paramedic Services began the collaborative procurement process early but encountered unexpected barriers in execution. As such, a non-competitive contract is necessary to maintain supply.

The non-competitive contract will allow Toronto Paramedic Services staff to work in collaboration with the Purchasing and Materials Management to leverage potential partnerships with external procurement groups where appropriate and develop a more robust and cost-effective procurement strategy that reflects current operational demands and market conditions.

This approach ensures that service delivery remains uninterrupted, while also upholding the City's procurement policies, including competitive fairness, transparency, and fiscal responsibility. It also provides Toronto Paramedic Services staff with the necessary time to secure a longer-term contract that aligns with best value and service continuity.

## **CONTACT**

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Robert Teranishi, Commander Materials and Equipment, Toronto Paramedic Services,  
416-397-9376, [Robert.Teranishi@toronto.ca](mailto:Robert.Teranishi@toronto.ca)

Clarman Yang, Manager, Purchasing Client Services, Purchasing and Materials  
Management, 416-392-1302, [Clarman.Yang@toronto.ca](mailto:Clarman.Yang@toronto.ca)

## **SIGNATURE**

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Bikram Chawla  
Chief, Toronto Paramedic Services

Genevieve Sharkey  
Chief Procurement Officer