

Supplementary Report to 2026.GG31.38 – Amendment to Non-Competitive Contract with DocuPet Inc. for the Provision of Pet Licensing Services

Date: July 28, 2026

To: City Council

From: Executive Director, Municipal Licensing and Standards and the Chief Procurement Officer

Wards: All

SUMMARY

At its meeting on July 20, 2026, the General Government Committee considered [2026.GG31.38](#) and requested that the item be forwarded without recommendation to City Council, to allow staff to update incorrect financial information related to the proposed contract amendment.

The staff report (July 6, 2026) brought to the General Government Committee requested approval to amend the contract value with DocuPet Inc. in response to their request for additional fees to offset unanticipated costs that were identified after reassessing program delivery costs. These costs include technology platform maintenance and compliance with City policies, security, and privacy requirements. The report (July 6, 2026) also requested approval to clarify pet licence issuance fee descriptions, and to apply ongoing annual inflationary adjustments to existing pet licence issuance fees to offset future inflationary increases in the fees collected by DocuPet Inc.

This supplementary report (July 28, 2026) from the Executive Director, Municipal Licensing and Standards and the Chief Procurement Officer requests approval to amend the contract value with DocuPet Inc using updated financial information and continues to request approval to amend Chapter 441, Fees and Charges. The contract value in the July 6, 2026 report was based on outdated information, which once corrected, resulted in minor changes to the contract value and associated projections. The proposed contract period remains the same, from August 18, 2026, to October 18, 2030. The total contract value has increased to \$1,947,284 net of all applicable taxes and charges over 4 years. The average annual value increased to \$469,232. The contract also provides the option to extend the agreement for five (5) additional separate one (1) year periods, at the sole discretion of the Executive Director, Municipal Licensing and Standards. If all the extension options are exercised, there would be a total potential contract value of \$4,843,215 net of all applicable taxes and charges. The proposed amendment represents an increase to the 2025 contract value (previously

adopted via [2025.GG22.11](#)) by \$1,266,554 and by \$3,306,079 net of all applicable taxes and charges if all potential extensions are exercised, to be fully recovered by pet licensing fee revenue.

RECOMMENDATIONS

The Executive Director, Municipal Licensing and Standards and the Chief Procurement Officer recommend that:

1. City Council in accordance with Section 71-11.1.C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-Law), grant authority to the Executive Director, Municipal Licensing and Standards, to negotiate and execute an amending agreement of the non-competitive contract with DocuPet Inc. for the provision of Pet Licensing Services from August 18, 2026 to October 18, 2030, inclusive, in the amount of \$1,947,284 net of all applicable taxes and charges (\$1,981,556 net of HST recoveries), with the option to extend the agreement for up to five (5) additional separate one (1) year periods, at the sole discretion of the City for a total potential contract amount of \$4,843,215 net of all applicable taxes and charges \$4,928,455 net of HST recoveries), on terms and conditions satisfactory to the Executive Director, Municipal Licensing and Standards and in a form satisfactory to the City Solicitor.
2. City Council amend fee descriptions and annual adjustments for fees related to pet licence issuance in Toronto Municipal Code Chapter 441, Fees and Charges, Appendix C – Schedule 12, Municipal Licensing and Standards by amending the fee descriptions and annual adjustments as shown in bold in the table below:

Ref.	Service Fee	Description	Category	Fee Basis	Fee	Annual Adj.
70	Pet Licence Issuance	Amount for the annual registration of unspayed/unneutered cat.	City Policy	Per animal	\$50.00	Yes
71	Pet Licence Issuance	Amount for the annual registration of unspayed/unneutered dog.	City Policy	Per animal	\$60.00	Yes
72	Pet Licence Issuance	Amount for the annual registration of unspayed/unneutered cat, with 50% senior discount.	City Policy	Per animal	\$25.00	Yes

Ref.	Service Fee	Description	Category	Fee Basis	Fee	Annual Adj.
73	Pet Licence Issuance	Amount for the annual registration of unspayed/unneutered dog, with 50% senior discount.	City Policy	Per animal	\$30.00	Yes
74	Pet Licence Issuance	Amount for the annual registration of spayed/neutered dog.	City Policy	Per animal	\$25.00	Yes
75	Pet Licence Issuance	Amount for the annual registration of spayed/neutered cat.	City Policy	Per animal	\$15.00	Yes
76	Pet Licence Issuance	Amount for the annual registration of spayed/neutered dog, with 50% senior discount.	City Policy	Per animal	\$12.50	Yes
77	Pet Licence Issuance	Amount for the annual registration of spayed/neutered cat, with 50% senior discount.	City Policy	Per animal	\$7.50	Yes
78	Pet Licence Issuance	Fee charged for replacing a lost pet tag	Full Cost Recovery	Per animal	\$5.00	Yes

3. City Council direct that the amendments to Toronto Municipal Chapter 441, Fees and Charges in Part 2 above come into effect on January 1, 2027.

FINANCIAL IMPACT

The total potential contract award, including five (5) option years, is \$4,843,215 net of all applicable taxes and charges and \$5,472,833 including all applicable taxes and charges. The total potential cost to the City including five one-year optional periods is \$4,928,455 net of HST recoveries. In comparison to the contract value that was previously adopted by City Council in 2025 ([2025.GG22.11](#)), this amendment increases the initial contract value by \$1,266,554 and by \$3,306,079 if all potential extensions are exercised.

Should the report be adopted, the current budget for pet licensing will be partially reallocated towards the costs paid to DocuPet Inc. Any additional costs incurred by the City as part of the DocuPet Inc. contract will be fully recovered by pet licensing fee revenue and absorbed into Municipal Licensing and Standards' operational budget. To help offset future inflationary increases in the fees collected by DocuPet Inc., staff propose that existing pet licence issuance fees be subject to annual inflationary adjustments.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial implications as identified in the Financial Impact section.

DECISION HISTORY

The General Government Committee, on its meeting on July 20, 2026, forwarded Item 2026.GG31.38 - Amendment to Non-Competitive Contract with DocuPet Inc. for the Provision of Pet Licensing Services without recommendation to City Council, to allow staff to update incorrect financial information related to the proposed contract amendment. <https://secure.toronto.ca/council/agenda-item.do?item=2026.GG31.38>

City Council, at its meeting of June 25 and 26, 2025 adopted 2025.GG22.11 - Non-Competitive Contract with DocuPet Inc., for the Provision of Pet Licensing Services, and authorized the Executive Director, Municipal Licensing and Standards, to negotiate and enter into a non-competitive contract with DocuPet Inc. <https://secure.toronto.ca/council/agenda-item.do?item=2025.GG22.11>

City Council, at its meeting of July 23, 24, 25, 26, 27 and 30, 2018 adopted 2018.LS27.3 - Specialty Dog Tag Pilot Project, and authorized the Executive Director, Municipal Licensing and Standards to undertake a pilot to partner with private issuers of dog tags on pet licensing, if staff believed the project was feasible and achieves the goals and objectives of Toronto Animal Services. <https://secure.toronto.ca/council/agenda-item.do?item=2018.LS27.3>

COMMENTS

This report is supplemental to the report that requests approval to amend the contract value with DocuPet Inc. ("DocuPet") in response to their request for additional fees to offset unanticipated costs that were identified after reassessing program delivery costs. These costs include technology platform maintenance and compliance with City policies, security and privacy requirements and are anticipated to be fully recovered through pet licensing fee revenue. The report submitted on July 6, 2026, contained incorrect financial information and this supplementary report updates recommendations with correct financial information.

Staff continue to recommend a non-competitive contract with DocuPet as they are the only suitable service provider offering third-party pet licensing services in Canada. DocuPet also includes features not available under the City's previous in-house system, including automated email notifications, an online lost pet finder tool, and a dedicated

customer care centre. Toronto Animal Services (“TAS”) has seen both pet licensing rates and consumer experience improve since the launch of the pilot agreement with DocuPet mid-2024, with pet licensing rates increasing by approximately 9.5% from 2023 to 2025. With the use of DocuPet, TAS staff resources that were previously dedicated to managing pet licensing administration were able to be reallocated to other priority areas within TAS.

Staff continue to propose amending existing pet licence issuance fee descriptions under Chapter 441, Fees and Charges, to clarify their use and to apply annual inflationary adjustments to align with operational practice for other animal-related fees (such as the fee to surrender an animal) and to offset future inflationary increases in the fees collected by DocuPet. The recommendation to amend Chapter 441 does not differ from what was proposed in the July 6, 2026 report.

Corrections to Financial Information

The financial information in this supplementary report has been updated to correct calculation errors identified after the July 6, 2026 report was submitted. The original calculations for the proposed contract award, average annual costs, and projected annual benefit were inadvertently based on outdated information, as the projections were calculated using pet licensing volume and revenue from 2024 instead of 2025. In addition, minor changes have been made to the 2025 pet licensing volume based on more accurate data from DocuPet, and to the 2025 revenue to account for reduced and waived fees. The revised information is summarized below in Tables 1-4. All other information and figures presented in the July 6, 2026 report remain unchanged.

Table 1: DocuPet Contract Award - Summary of Corrected Figures *(new table)*

Contract	Original Figure	Corrected Figure	Difference
Initial Contract (4 years)	\$1,756,072	\$1,947,284	+\$191,212
	\$1,786,979 net of HST	\$1,981,556 net of HST	+\$194,577
Including Extensions (9 years)	\$4,453,769.9	\$4,843,215	+\$389,445
	\$4,532,156 net of HST	\$4,928,455 net of HST	+\$396,299
	\$5,032,760 with taxes/charges	\$5,472,833 with taxes/charges	+\$440,073

Table 2: Pet Licensing Volume and Revenue in 2025 *(corrects Table 1 in the report)*

Metric	Original Figure	Corrected Figure	Difference
Total Licences	67,720	67,862	+142
Dog	47,244	47,350	+106

Metric	Original Figure	Corrected Figure	Difference
Cat	20,476	20,512	+36
Total Revenue	\$1,641,825	\$1,553,562*	-\$88,263

**Note: Total revenue corrected to account for reduced and waived pet licensing fees*

Table 3: Average Annual Cost to the City (*corrects Table 3 in the report*)

Cost Type	Original Figure	Corrected Figure*	Difference
Credit Card Rate	\$63,304	\$65,794	+\$2,489
Mailed Letter Rate	\$75,886	\$77,367	+\$1,481
Licence Issuance and Replacement Tag Rates	\$295,402	\$326,071	+\$30,669
Total	\$434,592	\$469,232	+\$34,640

**Note: The average annual cost is averaged over four (4) years and represents a total increase of \$333,032 compared to the 2025 report ([2025.GG22.11](#)).*

Table 4: Projected Annual Benefit of Continuing with DocuPet (*corrects Table 4 in the report*)

Metric	Original Figure	Corrected Figure*	Difference
Licence Volume	65,268	71,255	+5,987
Revenue	\$1,457,434	\$1,631,240	+\$173,806
Mailed Letter Volume	41,082	43,698	+2,616
Mailed Letter Cost	\$74,213	\$80,842	+\$6,629
Credit Card Cost	\$53,253	\$59,398	+\$6,145
Staffing Cost	\$45,122	\$45,122	No change
Licence Issuance and Replacement Tag Cost	\$261,092	\$303,973	+\$42,881
Net Benefit	\$1,023,754	\$1,141,905	+\$118,151

**Note: The annual benefit is based on the projected volume of pet licence sales in 2026 and is estimated to increase the annual net benefit by \$299,327 compared to the 2025*

report ([2025.GG22.11](#)). It is estimated that sales will increase 5% annually under DocuPet.

As noted in the July 6, 2026, report, negotiating this updated contract with DocuPet will provide continuity of service for pet owners by TAS. Should the recommendations in this report be adopted, Municipal Licensing and Standards staff, in collaboration with Technology Services and Purchasing and Materials Management, will work to formalize the non-competitive contract with DocuPet.

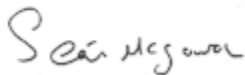
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SIGNATURE



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