

# **Amendment to Non-Competitive Blanket Contract 4300000085 with City Dispensers Inc. for the Non-Exclusive Supply and Delivery of Prescription Eyewear for Toronto Employment and Social Services**

**Date:** March 23, 2026

**To:** General Government Committee

**From:** General Manager, Toronto Employment and Social Services and Chief Procurement Officer

**Wards:** All

## **SUMMARY**

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The purpose of this report is to request authority to amend Blanket Contract 4300000085 to City Dispensers Inc. for the supply and delivery of prescription eyewear for Toronto Employment and Social Services Division. The total amendment value being requested is \$1,500,000 net of all taxes and charges, increasing this non-competitive contract from \$500,000 to \$2,000,000 net of all applicable taxes and charges and to extend the expiry date from May 31, 2026 to February 28, 2027.

This amendment will enable staff to explore new, innovative ways to deliver vision care benefits in 2027 while avoiding any service interruption concerning the supply and delivery benefit. City Dispensers Inc. has confirmed their willingness to extend services under the same terms and conditions for the duration of the contract period.

As part of the Ontario Works program, Toronto Employment and Social Services delivers medical benefits to residents in receipt of Ontario Works, Ontario Disability Support Program, and low-income earners not in receipt of social assistance. One of the key medical benefits provided are eyeglasses. In 2025, over 8,000 clients were provided vision care benefits with the associated costs covered by the Province.

## **RECOMMENDATIONS**

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The General Manager, Toronto Employment and Social Services 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 General Manager, Toronto Employment and Social Services to amend Blanket Contract 4300000085 issued to City Dispensers Inc., for the supply and delivery of prescription eyewear, to extend the expiry date from May 31, 2026 to February 28, 2027 and increase the contract value by \$1,500,000 net of all taxes and charges, increasing the value from \$500,000 to \$2,000,000 net of all applicable taxes and charges.

**FINANCIAL IMPACT**

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The total amendment amount identified in this report is \$1,500,000 net all applicable taxes and charges.

Funding is available in the 2026 Operating Budget for Toronto Employment and Social Services and additional funding for the remainder of the contract will be included in Toronto Employment and Social Services' 2027 Operating Budget Submission. Additional details follow in the Table 1.

**Table 1: Financial Impact Summary by Contract Year (net of all applicable taxes and charges)**

<b>Toronto Employment and Social Services</b> Cost Centres: C02201 - C02274, C03201 - C03274, C04302, C05299 Cost Elements: 5050073, 5050092, 5050091 Functional Area Code: 1930100000	<b>Total Amendment Value</b>
June 1, 2026 to December 31, 2026	\$1,166,667
January 1, 2027 to February 28, 2027	\$333,333
<b>Total</b>	<b>\$1,500,000</b>

Eyeglasses are a medical item and as such they are “zero rated,” as per the Excise Tax Act. This means HST is not applied to eyeglasses.

The materials in this contract will be purchased for residents in receipt of Ontario Works, Ontario Disability Support Program, and low-income earners not in receipt of social assistance. The total amendment value aligns with past expenditures trends based on client demand. Expenditures for social assistance clients are projected to be 100% funded by the Province as discretionary medical expenditures are forecast to be below the Provincially determined funding cap.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information as presented in the Financial Impact section.

## **DECISION HISTORY**

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At its meeting on January 27, 2021, the Bid Award Panel adopted BA119.6 authorizing the award of Request For Quotation Doc2641630053 to City Dispensers Inc., for the Non-Exclusive Supply and Delivery of Prescription Eyewear for the City of Toronto's Employment and Social Services Division from the date of award to January 31, 2022, with the option to renew the Contract for four (4) additional, one (1) year periods at the sole discretion of the City and subject to budget approval. The Bid Award Panel decision can be found at: <https://secure.toronto.ca/council/agenda-item.do?item=2021.BA119.6>

On February 23, 2026 Purchasing and Materials Management issued Toronto Employment and Social Services Non-Competitive Blanket Contract 4300000085 for \$500,000 to City Dispensers Inc. for the Non-Exclusive Supply and Delivery of Prescription Eyewear from March 1, 2026 to May 31, 2026 to bridge Blanket Contract 47023377 under the same terms and conditions of Doc2641630053, within the authority of the Chief Procurement Officer.

## **COMMENTS**

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In 2025, Toronto Employment and Social Services supported clients and staff through significant changes from the Provincial and Federal governments. Beginning in March 2025, employment services for Ontario Works recipients shifted from Toronto Employment and Social Services to Employment Ontario under the new Integrated Employment Services model, as well as the Province assuming responsibility for initial Ontario Works eligibility decisions in May 2025. This past year, Toronto Employment and Social Services was also assessing potential impacts and improvements to dental care benefits with the new Canada Dental Care Program from the Federal government.

Due to these changes, Toronto Employment and Social Services staff needed to await the implementation of the new model and assess potential changes to client benefits. Toronto Employment and Social Services recommend proceeding with the amendment to provide time to consider opportunities for improvement to service delivery. Staff are currently engaged in reviewing current gaps and potential improvements in service delivery, engaging in a new procurement process, and aligning possible changes with the Integrated Employment Services model.

The amendment ensures that service delivery remains uninterrupted, while also upholding the City's procurement policies, including competitive fairness, transparency, and fiscal responsibility. It also allows Toronto Employment and Social Services staff with the necessary time to develop new and innovative ways of disbursing vision care benefits to clients.

## **CONTACT**

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## **SIGNATURE**

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Tom Azouz  
General Manager, Toronto Employment and Social Services

Geneviève Sharkey  
Chief Procurement Officer