

Minutes – Standing Policy Committee on Community Services – September 8, 2026

REPORTS

Item No. 2 Approval of Contract Over-Expenditure No.1 for Pharmaceutical Supply through Winnipeg Regional Health Authority, Purchasing Reference Number 291-2023

STANDING COMMITTEE DECISION:

The Standing Policy Committee on Community Services concurred in the recommendation of the Winnipeg Public Service and approved the following:

1. That the Standing Policy Committee approve an over-expenditure to the Pharmaceutical Supply contract with Winnipeg Regional Health Authority for pharmaceutical supply and pharmacy technician support in the amount of \$351,126 (MRST and GST extra) for a revised total contract amount, (including all over-expenditures) of \$1,230,197 (MRST and GST extra).
2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

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DECISION MAKING HISTORY:

Moved by Councillor Gilroy,

That the recommendation of the Winnipeg Public Service be concurred in.

Carried

ADMINISTRATIVE REPORT

Title: Approval of Contract Over-Expenditure No.1 for Pharmaceutical Supply through Winnipeg Regional Health Authority, Purchasing Reference Number 291-2023

Critical Path: Standing Policy Committee on Community Services

AUTHORIZATION

Author	Department Head	CFO	CAO
L. Hathout	R. Sneath	J. Speidel Acting CFO	J. Dunford

EXECUTIVE SUMMARY

The Winnipeg Fire Paramedic Service (WFPS) leases three medication dispensing systems in Winnipeg's three emergency department hospitals. Each Pyxis MedStation (Pyxis) safely stores and dispense controlled drugs and are monitored by security staff. Paramedics use the systems to restock their medical kits after bringing patients to the hospital. This saves time and reduces the number of kits needed for the ambulance fleet.

The WFPS has a five-year contract with the Winnipeg Regional Health Authority (WRHA). The contract covers the equipment leases, medication supplies, and pharmacy technician support. The original contract value was \$879,071 plus MRST and GST.

The original contract was for two locations. The WFPS added a Pyxis at Grace Hospital in 2025. This increased lease and staffing costs. The WFPS needs an additional \$351,126 plus MRST and GST, to cover the remaining costs for 2026 and 2027. The contract ends in 2027. The cost of this contract is fully funded through the City's Emergency Medical Services contract with Shared Health.

The recommendation included in this report complies with the requirements of the various trade agreements. It also complies with the City's Purchasing Policy.

RECOMMENDATIONS

1. That the Standing Policy Committee approve an over-expenditure to the Pharmaceutical Supply contract with Winnipeg Regional Health Authority for pharmaceutical supply and pharmacy technician support in the amount of \$351,126 (MRST and GST extra) for a revised total contract amount, (including all over-expenditures) of \$1,230,197 (MRST and GST extra).
2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

The Standing Policy Committee has the authority to approve the single source over-expenditure where the accumulated amount for the contract, including over-expenditures exceeds one million dollars (\$1,000,000); providing monies are available within the applicable capital or operating budget as approved by Council.

IMPLICATIONS OF THE RECOMMENDATIONS

The use of the Pyxis ensures that paramedics have the appropriate pharmaceuticals constantly available at three hospitals and ensures that crews can efficiently prepare for the next emergency call. The program avoids the WFPS having to contract and manage the acquisition, reconciling, storage, and distribution and further allows for the WFPS to benefit from the economies of scale afforded through using WRHA's operational processes. Ensuring these pharmaceuticals are available and safely managed is integral to the operations of the WFPS.

The financial costs associated with this contract are fully funded through the City's Emergency Medical Services contract with Shared Health.

HISTORY/DISCUSSION

Background

Paramedics use a variety of life saving medications in the daily provision of emergency services to the citizens of Winnipeg. These pharmaceuticals are administered in accordance with patient care protocols, which are developed in conjunction with the Medical Advisory Committee. This committee consists of medical experts from across the Winnipeg Regional Health Authority (WRHA), and they collaborate to ensure that the protocols, and the pharmaceutical treatments prescribed within them, are consistent with current medical evidence and align with best practice and treatment guidelines.

Prior to 2013, each ambulance was stocked with four medication kits. These kits were exchanged with supervisors, or at a central ambulance station, when any of the pharmaceutical supply became low. These kits were then retrieved by the WFPS's Stores branch, where a storekeeper would go through the kits and re-stock the pharmaceuticals from a central supply. Once the kit was re-stocked, it was distributed once again to the central ambulance station for redistribution. This process required a large stockpile of medication kits to be available for exchange. The pharmaceuticals used were purchased through the WRHA and stored at the WFPS Stores branch.

In 2013, to reduce costs, improve safety, and to ensure greater pharmaceutical controls, the WFPS switched to utilizing Pyxis MedStations (Pyxis) within the WRHA facilities. The Pyxis automated pharmaceutical dispensing system supports decentralized pharmaceutical management with various features for safety, security, and efficiency. The system helps to accurately dispense medication, support pharmacy workflows, provide auditing information, and supports appropriate management of pharmaceutical stock and supply. The available pharmaceuticals are stocked and managed by the WRHA site pharmacies.

Each ambulance is now only required to carry two medication kits to ensure adequate amounts of pharmaceuticals for the provision of emergency care. The St. Boniface, Health Sciences Centre and Grace Hospital Pharmacies verify pharmaceutical expiry dates when medications are placed in the Pyxis, and further support the management of pharmaceutical stock and supply. Additionally, the Pyxis provides the WFPS with weekly audit information on the pharmaceuticals used, ensuring accountability for the pharmaceuticals removed from the machines. This process also ensures that the WFPS is compliant with the legislated requirements surrounding the care and control of controlled substances.

Discussion

On April 5, 2023, the Chief Financial Officer approved the single source contract for the lease of Pyxis from the Winnipeg Regional Health Authority, including pharmaceutical supply and pharmacy technician support, for the period of January 1, 2023, to December 31, 2027, at a total estimated cost of \$984,560, GST and MRST included (\$879,071, MRST and GST extra).

The original contract was for two locations; Health Sciences Centre and St. Boniface Hospital. Due to the addition of the Grace Hospital Pyxis, and associated lease and staffing costs, the original total five-year contract cost rose. The new projected total contract cost is \$1,230,197 (MRST and GST extra).

Item	2023	2024	2025	2026(est)	2027(est)
HSC salary technician	\$34,148	\$45,562	\$48,398	\$49,790	\$51,283
HSC pyxis lease	\$16,532	\$15,132	\$17,697	\$18,552	\$19,109
SBGH salary technician	\$15,672	\$15,672	\$48,398	\$49,790	\$51,284
SBGH pyxis lease	\$16,800	\$16,800	\$17,154	\$17,508	\$18,033
GGH salary technician	n/a	n/a	\$29,039	\$29,874	\$30,770
GGH pyxis lease – start Mar 2025	n/a	n/a	\$15,460	\$18,552	\$19,109
Cost of drugs	\$125,094	\$154,503	\$107,507	\$130,000	\$133,600
Total	\$208,245	\$248,669	\$283,653	\$314,066 (est)	\$323,188 (est)

*Totals in table include MRST and GST

This single source procurement is permitted by, among other applicable exceptions, Article 504(11)(i)(iv) of the Canadian Free Trade Agreement (2017) (“CFTA”), and Annex 19-7-3(f) of the Comprehensive Economic and Trade Agreement (2016) (“CETA”), both of which permit single source procurement from government bodies such as the WRHA.

FINANCIAL IMPACT

Financial Impact Statement

Date: **July 30, 2026**

Project Name: **First Year of Program** **2026**
Approval of Contract Over-Expenditure No.1 for Pharmaceutical Supply through
Winnipeg Regional Health Authority, Purchasing Reference Number 291-2023

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>
Capital					
Capital Expenditures Required					
Less: Existing Budgeted Costs					
Additional Capital Budget Required	\$ -	\$ -	\$ -	\$ -	\$ -
Funding Sources:					
Debt - Internal					
Debt - External					
Grants (Enter Description Here)					
Reserves, Equity, Surplus					
Other - Enter Description Here					
Total Funding	\$ -	\$ -	\$ -	\$ -	\$ -
Total Additional Capital Budget Required	\$ -				
Total Additional Debt Required	\$ -				
Current Expenditures/Revenues					
Direct Costs	110,501	265,203			
Less: Incremental Revenue/Recovery	110,501	265,203			
Net Cost/(Benefit)	\$ 0	\$ 0	\$ -	\$ -	\$ -
Less: Existing Budget Amounts	0	0			
Net Budget Adjustment Required	\$ -	\$ -	\$ -	\$ -	\$ -
Additional Comments:					
The numbers quoted above include MRST at prevailing rates. The cost has been distributed evenly over the contract term for illustration purposes, actual cost will be incurred as and when required.					

John Hall FCMA, CGMA
Financial Controller
Fire Paramedic Service

CONSULTATION

This Report has been prepared in consultation with:

- Purchasing Division, Corporate Finance Department.

OURWINNIPEG POLICY ALIGNMENT

Good Health and Well-Being
4.7 Community Safety

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Strategic Opportunity #3
Advancing Sustainable Transportation – Increasing Mobility Options and Shift to Zero Emission Vehicles
3.5 Reduce Traffic Congestion (Primary Responsibility: - Public Works Department)
Reduce ambulance trips required to stock medical supplies

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Poverty Reduction Strategy (PRS) and its Goals and Objectives, and it was determined that the PRS is not applicable to this specific report.

SUBMITTED BY

Department: Fire Paramedic Service
Division: Finance
Prepared by: Linda Hathout
Date: July 30, 2026
File No: N/A

Attachments: