



REPORT FOR ACTION CONTRACT AWARD

Contract Award - City of Toronto Request for Proposal Number 3401-16-3008 for Credit/Debit Card Payment Processing Services

Date: November 30, 2020

To: Board of Directors, Toronto Parking Authority

From: Acting President, Toronto Parking Authority

Wards: All

RECOMMENDATIONS

The Acting President, Toronto Parking Authority recommends that:

1. The Board of Directors of Toronto Parking Authority (TPA) grant authority for the President, Toronto Parking Authority to, negotiate, enter into, and execute on behalf of the TPA, a non-competitive agreement with Moneris Solution Corporation (Moneris) for the provision of credit/debit card payment processing services, containing terms and conditions substantially similar to the terms and conditions contained umbrella agreement, as amended, currently in place between the City of Toronto (City) and Moneris arising from the City's Request for Proposal (RFP) 3401-16-3008, and otherwise in a form satisfactory to the City Solicitor, with the following modifications the term of the agreement between the TPA and Moneris shall be for an three-year period ending December 31, 2023, with an option, to be exercised at the sole discretion of the President, Toronto Parking Authority, to renew the agreement for four (4) further one (1) one-year terms.

FINANCIAL IMPACT

Based on the projected revenue and payment card transaction volume, the annual processing fees for the year ending December 31, 2021 are expected to total \$1.6 million plus HST. The total value of the contract award across the full three-year period is estimated at \$7.7 million plus HST, assuming revenue returns to pre-pandemic levels in 2022.

Estimated savings during the initial three-year period is \$0.5 million and \$0.2 million per annum thereafter. Actual expense and savings rates are dependent upon payment card types and transaction volumes.

CALL SUMMARY

Call Number: City of Toronto Request for Proposal Number 3401-16-3008

Call Issued: July 8, 2016

Call Closed: August 5, 2016

Number of Bids: Two

Description:

The total contract award for credit/debit payment processing services for a five-year period, including all option years with the option to renew the contract for five additional separate terms of one year each at the sole discretion of the Treasurer was estimated to be \$30,168,984 net of all applicable taxes. Costs were estimated as they are dependent on the volume of transactions paid by credit and debit cards. The contract commenced on February 1, 2017.

DECISION HISTORY

The Government Management Committee, at its meeting on November 14, 2016, adopted the recommendation to negotiate and enter into an agreement with Moneris Solution Corporation as outlined in GM16.11 Award of Request for Proposal No. 3401-16-3008 for Credit/Debit Card Payment Processing Services.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.GM16.11>

COMMENTS

The City has signed a pricing and marketing agreement with Moneris which provides the opportunity for City agencies and corporations to benefit from the City's pricing. Each agency or corporation is expected to enter into its own agreement with Moneris in order to benefit from its competitive bid pricing.

TPA's payment processing services are currently being performed by Moneris on an annually auto-renewing contract. In order to realize further pricing and volume discounts, TPA is currently converting Bike Share Toronto's payment processing to Moneris and is seeking to leverage further savings through the City's pricing arrangements.

CONTACT

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SIGNATURE

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