

# **Non-Competitive Contracts with Various Suppliers for the Purchase of Proprietary Parts and Services for Maintenance of Specialized Laboratory Instruments for Toronto Water**

**Date:** November 24, 2025

**To:** General Government Committee

**From:** General Manager, Toronto Water and Chief Procurement Officer

**Wards:** 5 (York South–Weston)

## **SUMMARY**

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The purpose of this report is to request City Council authority to enter into two (2) non-competitive contracts for proprietary parts and services for specialized laboratory instruments with Thermo Fisher Scientific (Mississauga) Inc. and Waters Limited for the Toronto Water Laboratory. Both contracts will have a three (3) year contract period. The total amount for both contracts is \$236,650 net of all applicable taxes and charges (\$240,815 net of Harmonized Sales Tax recoveries).

Toronto Water uses specialized laboratory instruments to conduct critical analyses of the city's drinking water and wastewater. These contracts help ensure that the necessary preventive maintenance is performed and that the instrumentation systems remain operational, which is essential for managing risks and meeting regulatory standards.

A non-competitive procurement is required for both Thermo Fisher Scientific (Mississauga) Inc. and Waters Limited as they use proprietary technology in their specialized laboratory instrumentation. The technology and required parts and service are available exclusively from each supplier as sole manufacturers and distributors.

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 procurement will be proceeding under the exception related to Exclusive Rights, where both Thermo Fisher Scientific (Mississauga) Inc. and Waters Limited and the City have determined in good faith that both the proposed procurements and the selected suppliers, along with the terms and conditions of the contract, are beneficial to the City (Toronto Municipal Code, Chapter 195, Procurement, Section 7.1.C).

City Council approval is required in accordance with Municipal Code Chapter 195- Purchasing, where the current request exceeds the Chief Purchasing Officer's authority of the cumulative five (5)-year commitment, 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 71-11A.

## **RECOMMENDATIONS**

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The General Manager, Toronto Water, and the Chief Procurement Officer recommend that:

1. City Council authorize the General Manager, Toronto Water to negotiate and enter into non-competitive agreements with the suppliers listed below, for the supply and delivery of proprietary parts and maintenance services for specialized laboratory instrumentation for a three (3) year period from date of award, on terms and conditions satisfactory to the General Manager, Toronto Water and in a form satisfactory to the City Solicitor:

a. Thermo Fisher Scientific (Mississauga) Inc. with the maximum contract price of \$81,853 net of all applicable taxes and charges (\$83,294 net of Harmonized Sales Tax recoveries);

b. Waters Limited with the maximum contract price of \$154,797 net of all applicable taxes and charges (\$157,521 net of Harmonized Sales Tax recoveries);

2. City Council direct that contracts in Recommendation 1 above, will also be on the condition that the vendors continue to be the manufacturers or are exclusive distributors for the goods and services.

## **FINANCIAL IMPACT**

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The total potential value identified in this report for the two (2) non-competitive contracts is \$240,815, net of Harmonized Sales Tax recoveries in the amount detailed below (\$236,650 net of all applicable taxes and charges)

Funding required for this contract award will be included in the 2026-2028 Operating Budget Submission for Toronto Water.

Additional funding details are provided in Table 1 to follow.

Table 1: Financial Impact Summary of Recommended Contracts

Cost Centre	GL	2026	2027	2028	Total Net of Harmonized Sales Tax Recoveries
TW5030	2155,4425	\$78,984	\$80,264	\$81,568	\$240,815

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

## DECISION HISTORY

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On December 22, 2010, the Chief Purchasing Officer authorized the award of Request for Quotation Number 0503-10-7297 to Waters Limited for the supply, delivery, installation and support of one (1) Liquid Chromatography dual Mass Spectrometer for Toronto Water Division for a for a one (1) year period for a total contract award value of \$336,078 net of all taxes and charges.

On October 30, 2018, the Chief Procurement Officer authorized the award of Request for Quotation Number 0503-18-7159 to Thermo Fisher Scientific (Mississauga) Inc. for the supply, delivery, installation, warranty and maintenance of one (1) Ion Chromatograph System (IC) with associated sample inlet system and the buy-back of existing equipment for Toronto Water Division for a five (5) year period, for a total contract award value of \$229,829 net of all taxes and charges.

## COMMENTS

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### Background

Toronto Water maintains a laboratory service located at 30 Dee Avenue. Within the laboratory, a variety of analytical instruments are used to analyze drinking water and wastewater on a daily basis. Each instrument is manufactured by a specific company and contains proprietary components and processes exclusive to that manufacturer. Due to these proprietary components, the repair, service, and support of each instrument involves specialized knowledge of the manufacturer.

The instruments were all purchased through a competitive procurement process and have an estimated lifespan of 8 to 10 years. These contracts will maintain all the components of the instrumentation systems, ensuring everything works together reliably and accurately, and increase the current lifespan of the instruments. All service requests under these contracts are initiated by Toronto Water laboratory staff and

include one full-service inspection, cleaning, and inspection of all the components, and unlimited service requests as and when required utilizing the Non-Competitive Procurement process under Exception Code 2). The recent award history is summarized in Table 2.

Table 2 - Recent Award History

<b>Date</b>	<b>Supplier</b>	<b>Description</b>	<b>Value</b>	<b>Duration</b>
November 20, 2024	Waters Limited	1-year preventative service agreement – Liquid Chromatography Dual Mass Spectrometer	\$49,514	1 year
October 5, 2023	Waters Limited	1-year preventative service agreement – Liquid Chromatography Dual Mass Spectrometer	\$49,077	1 year
February 6, 2024	Thermo Fisher Scientific (Mississauga) Inc.	2-year preventative service agreement – Ion Chromatograph System	\$48,282	2 years
July 7, 2022	Thermo Fisher Scientific (Mississauga) Inc.	2-year preventative service agreement – Ion Chromatograph System	\$24,867	2 years
October 19, 2019	Waters Limited	3-year preventative service agreement – Liquid Chromatography Dual Mass Spectrometer	\$153,813	3 years

A cumulative analysis of non-competitive procurement for this scope of work issued to Waters Limited and Thermo Fisher Scientific (Mississauga) Inc. has determined that the cumulative five (5)-year commitment will be exhausted and only Waters Limited exceeds the threshold of \$500,000 net of Harmonized Sales Tax allowed under staff authority.

### **Instruments**

The Thermo Fisher Scientific (Mississauga) Inc. Dionex Ion Chromatography System is a critical analytical instrument used by Toronto Water to detect anions such as chloride and cations such as sodium in drinking water.

The Waters Limited Liquid Chromatography Dual Mass Spectrometry is used to perform high-sensitivity analyses of pesticides and emerging contaminants, including Per- and Polyfluoroalkyl Substances (PFAS), in drinking water.

Proper maintenance of these instruments is essential to ensure compliance with regulatory drinking water standards and safe drinking water. If these instruments malfunction or fail, it will not be possible to collect or produce the necessary data to demonstrate regulatory compliance. This may lead to the suspension of the City of Toronto's drinking water licence and significantly undermine public confidence in the safety and reliability of the municipal drinking water supply.

Staff have reviewed the pricing for these parts and services and have determined that the pricing is fair and reasonable.

The Fair Wage Office has reported that all recommended suppliers have reviewed and understand the Fair Wage Policy and Labour Trades requirements, and each has agreed to comply fully.

## **CONTACT**

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## **SIGNATURE**

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Lou Di Gironimo  
General Manager, Toronto Water

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Chief Procurement Officer