

Non-Competitive Extension with Moneris Solutions Corporation for Payment Processing Services

Date: March 23, 2026
To: General Government Committee
From: Controller and Chief Accountant and Chief Procurement Officer
Wards: All

SUMMARY

The purpose of this report is to seek City Council authority for the Controller and Chief Accountant to enter into a non-competitive agreement with Moneris Solutions Corporation (“Moneris”) for payment processing services, merchant services, and all related equipment and support from January 1, 2027 to December 31, 2029.

The City’s contract with its payment processor, Moneris, is set to expire on December 31, 2026. The contract with Moneris was initially awarded in 2016 following a competitive procurement conducted through Request for Proposal (RFP) No. 3401- 16-3008.

In anticipation of contract expiration, a competitive procurement for payment processing services commenced in June 2024. However, the procurement was paused as staff focused on exploring opportunities to modernize the City’s payments landscape. This work is ongoing, and as a result, staff require a non-competitive agreement with Moneris to support continuity of services to process credit and debit card payments. The three-year contract extension term will provide sufficient time for City staff to complete a new competitive procurement in alignment with broader organizational initiatives aimed at enhancing the City’s overall payment environment.

City Council approval is required in accordance with Municipal Code Chapter 195, Procurement, where the current request exceeds the Chief Procurement Officer’s authority of the cumulative five-year commitment limit for each vendor under Article 7, Section 195-7.3(D) of the Procurement 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 71-11(A).

RECOMMENDATIONS

The Controller and Chief Accountant and the Chief Procurement Officer recommend that:

1. City Council authorize the Controller and Chief Accountant in accordance with Section 195-7.1(E.) of the Toronto Municipal Chapter 195, to negotiate and execute a non-competitive agreement with Moneris Solutions Corporation for payment processing services, merchant services, and all related equipment and services for a non-competitive contract extension term of three years from January 1, 2027 to December 31, 2029 with no additional renewal periods for a total potential cost of \$2,000,000, net of all applicable taxes and charges (\$2,035,200, net of Harmonized Sales Tax recoveries), on terms and conditions satisfactory to the Controller and Chief Accountant, in a form satisfactory to the City Solicitor.

FINANCIAL IMPACT

The total potential contract award identified in this report is \$2,000,000, net of all applicable taxes and charges (\$2,035,200, net of Harmonized Sales Tax (HST) recoveries). This value reflects the total anticipated service provider fees charged and retained by Moneris over the full three-year contract term.

Should this non-competitive three years contract be approved, all payment processing fees will be included in the 2027-2029 Operating Budget Submissions for participating City Divisions.

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

DECISION HISTORY

In November 2022, the General Government Committee adopted the recommendation to amend the City's agreement with Moneris to support the calculation of the contract maximum value,

[Agenda Item History - 2023.GG1.10](#)

In November 2016, the Government Management Committee 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

[Agenda Item History - 2016.GM16.11](#)

COMMENTS

Request for a Non-Competitive Contract Extension Term for Moneris

The City's existing agreement with Moneris includes the following services: payment processing, merchant services, and all related equipment and support. This arrangement is scheduled to expire in December 2026.

Payment cards are a popular payment method selected by the City's customers. Over the past three years, residents and businesses have used debit and credit cards to pay for more than \$360.0M annually of City goods and services, which accounts for more than three million transactions each year.

Under the current arrangement, Moneris charges and collects service provider fees for transaction processing and administrative services. These fees are subject to competitive procurement and are governed by the City's negotiated fee schedule with the provider. Historically, Moneris' annual service provider fees have averaged approximately \$0.5M, which represented 0.1% of net sales that were facilitated through use of payment cards.

Given the scale and volume of transactions processed, maintaining continuity of payment processing services is critical to support City divisions and to ensure uninterrupted services for residents and businesses who rely on debit and credit card payment options.

The City's arrangement with Moneris will continue to provide good value for money, as the original terms negotiated in the 2016 competitive procurement are anticipated to be sustained throughout the contract extension term.

To ensure uninterrupted service while the City completes a full competitive procurement for a payment processor, in alignment with the efforts to modernize the City's payments landscape, City staff recommend entering into a three-year non-competitive contract extension agreement with Moneris, which will cover the period from January 1, 2027 to December 31, 2029.

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SIGNATURE

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