





existed that bore the same construction features as the one involved with the May 27 Event.

TCHC's Financial Control By-law 3 provides that in cases of Urgency, and with the approval of the Chairman of the Board, or his or her designate, the Chief Executive Officer, or his or her designate, has the authority to make a Commitment in excess of the amounts that are normally stipulated by TCHC's Financial Control By-law.<sup>1</sup>

The Financial Control By-law defines Urgency as a situation where the purchase of goods and services is necessary due to unforeseen circumstances that may result in material risk of financial loss; a situation where the purchase of goods or services is necessary because of an immediate risk to the safety or health of the Corporation's employees, residents or the general public; or because of the possibility of serious damage to the Corporation's property.

TCHC's General Counsel and its Chief Financial Officer agree that the May 27 Event met the definition of Urgency, as contained in the Financial Control By-law.

Acting pursuant to the authority delegated to the CEO in cases of Urgency, FM Construction and Preservation staff have issued multiple Direct Awards in response to this incident to prevent further incidents, improve overall safety at the site and to remedy any unsafe conditions. These direct awards were issued under the following justification under Section 4.3(a) of TCHC's Procurement Procedures:

1. Where an unforeseeable situation of urgency or emergency exists and the goods, services or construction cannot be obtained in time by means of a Competitive Process.

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<sup>1</sup> Pursuant to the Financial Control By-law TCHC's CEO is delegated signing authority of up to \$500,000 in any one instance, where no Urgency exists, so long as the funds have been provided for in the approved Operating Budget or Capital Budget respectively. The CEO may also make a Commitment, not exceeding \$250,000 in any one instance, if the funds have not been provided in the Building Capital Budget, so long as the funding for the expenditure is available.





