



Report to

Office of the City Clerk, City of Edmonton

Strategic Review of the Edmonton Combative Sports Commission



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Appendices

APPENDIX A. INTERVIEWS CONDUCTED IN PROJECT PHASE 1

APPENDIX B. EXECUTIVE SUMMARY: ENVIRONMENTAL SCAN REPORT

1. INTRODUCTION

1.1. Project Background

The City of Edmonton Office of the City Clerk engaged Sierra Systems to conduct a strategic review of the Edmonton Combative Sports Commission (the Commission or ECSC) to identify potential solutions to the challenges experienced by the Commission in performing its governance duties and managing its operational and administrative functions. Additionally, Sierra Systems was asked to investigate models of combative sports regulation employed in other jurisdictions to identify an optimal solution for regulating combative sports in Edmonton, and potentially Alberta. This project was undertaken as a response of the Office of the City Clerk to specific recommendations made by the Office of the City Auditor upon conducting an audit of the Commission in 2006.

This latter investigation found that the Commission's existing governance framework and business processes did not allow the Commission to effectively and efficiently perform its mandated duties in accordance with Bylaw 5821, "The Boxing, Wrestling and Other Combative Sports Bylaw." Furthermore, this investigation found that Commission members lacked a clear understanding of the Commission's role, and thus were likely to invest effort in activities that were supplementary or contradictory to Bylaw specifications, hindering the Commission's ability to comply with the Bylaw. Having highlighted these challenges, the Office of the City Auditor recommended that the opportunity to implement a provincial combative sports regulation model in Alberta be investigated.

Since the audit of the Commission, new members have been appointed to the Commission, and Bylaw 5821 has been rewritten as Bylaw 14308 clarifying the duties, rights and obligations of the Edmonton Combative Sports Commission. The Commission received an orientation to the revised Bylaw and has worked to bring Commission practices in line with the terms of the Bylaw. However, in spite of the sincere desire of Commission members to improve the way the Commission conducts its business and to fulfill the Commission's mandate as outlined in Bylaw 14308, the Commission's current business processes and the resulting heavy workload of Commission members have left the Commission with little capacity to make the necessary improvements in a timely fashion. The possibility of implementing a provincial combative sports regulation solution has remained only a concept without a defined plan of action since the Government of Alberta rejected a City of Edmonton overture in 2001.

Sierra Systems was engaged to work with the Edmonton Combative Sports Commission and the Office of the City Clerk to develop an optimal governance model for combative sports regulation in Edmonton (and potentially Alberta), and to assist the Commission in the development of an implementation plan which would allow the Commission to make the transition from the current model to the optimal model while continuing to perform day-to-day business activities.

1.2. Project Objectives

The Edmonton Combative Sports Commission Strategic Review project has been organized around three key project phases. The specific objectives of each project phase are as follows:

Phase 1: A Focus on Governance

- Work with the Commission to gain a clear understanding of the Commission's role and the challenges experienced by Commission members.
- Research combative sports governance models implemented in other jurisdictions and identify potential solutions for combative sports regulation in Edmonton and/or Alberta.
- Work with the Commission and the Office of the City Clerk to develop an optimal governance model for combative sports regulation in Edmonton and/or Alberta.

Phase 2: A Focus on Operations

- Work with the Commission and the Office of the City Clerk to identify the Commission's current resources, responsibilities, functions and business processes, and to identify resource gaps and anticipated challenges in redefining the manner in which the Commission currently conducts its business.

Phase 3: A Focus on Transition

- Work with the Commission and the Office of the City Clerk to develop an implementation plan to allow the Commission to make the transition from the current governance model to the optimal governance model.

1.3. Project Methodology

The following work steps have been completed to achieve the objectives of this project:

Phase 1: A Focus on Governance

1. Individual interviews were conducted with the (then) seven members of the Edmonton Combative Sports Commission to identify challenges faced by the Commission and potential ways to resolve these challenges. Also, two interviews with the Commission's Executive Director were conducted to discuss the role of the ECSC Executive Director and to identify the operational processes currently employed to oversee combative sports events and the challenges therein.
2. Internet research and interviews with subject matter experts in the Canadian and American combative sports industries were conducted to identify combative sports governance models implemented in other jurisdictions, and thus to identify potential models that may be adopted

in Edmonton and/or Alberta. The findings of this research are discussed in the *Combative Sports Environmental Scan Report*, attached as Appendix B to this report.

3. Two workshops were held with members of the Commission to discuss research findings on combative sports regulation in other jurisdictions and to begin the design of an optimal governance model for combative sports regulation in Edmonton.

Phase 2: A Focus on Operations

4. An interim project status report presentation was made to the City Council's Community Services Committee to present preliminary research findings, discuss potential governance models for combative sports regulation in Edmonton, and seek reaction from Committee members on the governance models to be considered for implementation in Edmonton.
5. A workshop was held with members of the Commission to present City Council's feedback on preliminary project outcomes and the preferred combative sports regulation governance models to be considered for implementation in Edmonton, to discuss Sierra Systems' recommendations for making the transition to a new governance model, and to obtain the Commission's feedback on the challenges anticipated during the transition process.

Phase 3: A Focus on Transition

6. A draft report on the Strategic Review of the Edmonton Combative Sports Commission was developed, which included recommended governance models for combative sports regulation in Edmonton, and recommendations for making the transition from the current governance model to the new governance model. The proposed contents of the report were discussed with the ECSC and a draft of this report was validated with the Office of the City Clerk and revised to obtain the recommendations contained in this report.

1.4. Purpose of This Report

This report presents the findings of the Strategic Review of the Edmonton Combative Sports Commission project. In particular, the sections that follow discuss:

- The strengths and challenges of the Edmonton Combative Sports Commission.
- The different governance models for combative sports regulation that have been implemented in other jurisdictions.
- The governance models for combative sports regulation that are currently best suited for implementation in Edmonton.
- An implementation plan for making the transition from the Edmonton Combative Sports Commission's current governance model to an optimal governance model.
- Next steps for the Edmonton Combative Sports Commission to begin the transition to the new, optimal governance model.

2. STRENGTHS AND CHALLENGES OF THE ECSC

As a key component of the Edmonton Combative Sports Commission Strategic Review, interviews were conducted with Commission members to gain an understanding of the Commission's role, its strengths, and the challenges currently experienced by the Commission. The following themes were derived from these interviews:

2.1. Strengths of the ECSC

Recognition in the Combative Sports Community in Edmonton and Beyond – The ECSC is recognized in Edmonton and in other North American jurisdictions for its strong presence and leadership in combative sports regulation. The ECSC in its current form and the preceding Edmonton Boxing and Wrestling Commission have successfully overseen combative sports events in the city since 1920. The Commission benefits from the strong history of combative sports practice in Edmonton, and the public's enthusiasm and interest in continuing this tradition.

Effectiveness in Regulating Combative Sports Events in Edmonton – The ECSC is presently effective in regulating combative sports events which take place in Edmonton, and has done this effectively in the past. The ECSC has an excellent record in hosting safe events and in assuring the safety of contestants. Events held in Edmonton over the years have met high standards of safety, and contestants have competed in a safe and fair environment. The Commission continues to host safe and fair events today.

Commission Members' Good Will and High Level of Enthusiasm – The individuals who serve on the Commission choose to do so out of good will, on a volunteer basis, and bring a high level of enthusiasm to their duties as Commissioners and to the practice of combative sports in Edmonton. Commission members volunteer their time and work hard to assure that the practice of combative sports in the city continues to evolve in a safe and fair manner, and that combative sports events continue to take place in Edmonton.

An Excellent Pool of Commission Appointed Officials – Edmonton has an excellent pool of combative sports appointed officials, ranging from inspectors, to referees, judges and medical staff, upon which the ECSC may, and does draw to help coordinate combative sports events and assure that each match held meets all specified regulations.

2.2. Challenges of the ECSC

A Dramatic Increase in Combative Sports Events Held in Edmonton – In recent years the ECSC has experienced a dramatic increase in the number of regulated combative sports events held in Edmonton each year. The number of annual events has grown to more than three-fold in the past

few years, and the workload of Commission members is projected to demand more than 60 days of effort per year. In 2001-02 ECSC records note 10 events: 6 wrestling, 2 boxing, and 2 mixed martial arts (MMA) events. ECSC actual to date experience and projections suggest a possible 35 events for the 2007-08 year including: 17 wrestling, 8 boxing and 10 MMA events. This remarkable growth in the combative sports industry has created exceedingly high demands on the effort of volunteer Commission members. The present time commitment which Commission members are expected to make, and the present volume of work which Commission members are expected to perform exceed reasonable expectations of a volunteer Commission.

A Lack of Formal Structures and Business Processes – The ECSC presently lacks a formal organizational structure and formal, documented business processes. History and tradition have defined much of the Commission’s business. A lack of formally-defined structures and processes has served the Commission well in the past, giving Commission members a high level of flexibility to perform their duties at a time when only a handful of combative sports events were held in the city each year. However, the Commission’s informal structures and processes have led to role confusion, personal conflicts and work overload of Commission members, as the number of combative sports events held in Edmonton has risen dramatically in recent years. Working within the Commission’s current operational context, Commission members invest many hours of effort attending to operational tasks and as a result lack the necessary time to attend to important governance duties.

A Lack of Efficiency in Regulating Combative Sports Events – Although the ECSC is effective in regulating combative sports events which take place in Edmonton, the Commission is presently not efficient in doing so. History and tradition have positioned Commission members to be responsible for both governance and operational duties. With the recent rise in combative sports events, the Commission’s operational duties have taken precedence over governance duties. Presently, Commission members spend many hours planning for events, attending pre-event weigh ins, attending to locker room and ring-side duties before and during events, and managing post-event duties once events have taken place. This often results in an overlap of roles and effort with that of the Commission’s Executive Director and the ECSC’s Appointed Officials - a greater effort than necessary when a majority of the Commission (currently four members must attend every weigh in and event) is charged with tasks that could be performed by only a few Commission members - and contributes to the Commission’s a lack of capacity to undertake governance duties such as strategic planning or the review of event rules and regulations.

A High Dependency on the Commission’s Executive Director – The ECSC has been highly dependent on its Executive Director for technical and industry expertise and for guidance – particularly when five new Commission members were appointed in one recent year. This dependency has begun to reduce as the current Commission members have gained experience. Although the Executive Director’s expertise is invaluable in allowing the Commission to manage technical operations, this dependency creates role overlap, role confusion and a potential conflict of interest, as the Executive Director is perceived to influence, or to make strategic decisions that only the Commission should have the authority to make. This role confusion and role overlap have developed in the context of the Commission’s lack of formal organizational structures and business processes, and presently expose the Commission to a range of risks, as decisions made

by the Executive Director may have repercussions for the Commission. Although the position title is “Executive Director” the incumbent is expected to fulfill primarily “technical director” functions related to specifics of the sports and has not been expected to perform the broader type of “executive director” functions that would be found in other not for profit organizations – such as the provision of strategic, financial and governance advice to the governing body.

3. REVIEW OF COMBATIVE SPORTS GOVERNANCE MODELS

In order to identify viable options for the regulation of combative sports in Edmonton and/or Alberta, Sierra Systems researched the combative sports governance models that have been implemented in other jurisdictions across Canada and the United States. Specifically, the governance models implemented in the jurisdictions of Calgary, Missouri, Ontario and Quebec were investigated, and interviews were conducted with subject matter experts in the combative sports industry to identify any other potential models that have been conceptualized. Other jurisdictions were approached but were unable to respond Sierra Systems' request for information.

Our research indicated that in jurisdictions where combative sports are regulated, one of two general governance models is employed:

1. A provincial or state model
2. A municipal model

Through interviews with individuals who serve on combative sports regulation commissions in other jurisdictions, we have found that it is the history and tradition of combative sports practice in any particular jurisdiction that has determined whether a provincial/state governance model or a municipal governance model has been implemented in that jurisdiction. Thus, the environmental context and politics of each Canadian province and American state have determined whether the province or state has chosen to regulate combative sports using a common approach across its land, in both urban and rural settings, or whether it has chosen to delegate the regulation of combative sports to the local / municipal level and to allow those municipalities that wish to host combative sports events to establish their own systems of regulation.

The two basic combative sports governance models are further differentiated depending on the manner in which provinces, states or municipalities choose to divide governance and operational responsibilities among persons or regulatory bodies appointed to regulate combative sports. Thus, potential variations of combative sports governance models, be they provincial or municipal, are as follows:

- A single individual (usually appointed by government) who oversees combative sports activity in the jurisdiction and makes recommendations to an administrative body regarding the issue of licenses and permits and the allowance or forbiddance of various combative sports activities.
- An administrative body that sets rules and regulations for all combative sports activity in the jurisdiction, issues licenses and permits for this activity based on parties' compliance with specified requirements, and relies on the police force, the fire marshal and/or other licensing and permitting authorities to enforce these rules and regulations. In this governance model,

- all operational activities required to supervise combative sports events are left to industry experts.
- A multi-member commission that makes governance decisions regarding combative sports events held in the jurisdiction, and that relies on an administrative body to issue licenses and permits for events, and relies on its hired staff to supervise the operations of combative sports events.
 - A multi-member commission that makes governance decisions regarding combative sports events held in the jurisdiction, issues licenses and permits for events, and participates in the supervision of combative sports events along with its hired staff.

Considering these diverse combative sports governance model options, Sierra Systems has identified five potential solutions for the regulation of combative sports in Edmonton and/or Alberta, two of which are considered viable:

3.1. Option 1: No Regulation of Combative Sports in Edmonton

The first option would represent a decision by City Council to cease to regulate any combative sports in the city. This option would entail phasing-out the activities currently conducted by the Edmonton Combative Sports Commission and dissolving the Commission after a set time period. If this option were chosen, the City of Edmonton would no longer host any regulated combative sports events after a determined time period, and potential events would migrate to facilities located outside city boundaries, such as the River Cree Resort and Casino, or might continue in an unregulated and likely illegal fashion in Edmonton.

This option is not recommended. Industry stakeholders are unlikely to support any consideration of “shutting down” the sport. Edmonton has a long history of hosting combative sports events and a significant number of Edmonton’s residents are enthusiastic about attending these events. The decision to cease to host combative sports events in the city would not be well-received by the local combative sports industry. Additionally, a ban on regulated combative sports events could potentially give rise to illegal activity and the organization of “underground events” in the city.

The great majority of Alberta municipalities have no combative sport regulatory function, making it illegal under section 83 of the Criminal Code to conduct professional combative sport “prizefights” in those communities.

3.2. Option 2: Provincial Combative Sports Governance Model

The second option would entail Edmonton City Council soliciting the Government of Alberta to take over the regulation of combative sports events throughout the province. Providing that the provincial government would be willing to accept this responsibility, this option would involve a

coordinated effort between the province and all municipalities that currently regulate combative sports to phase-out the work of all municipal combative sports Commissions and to transfer all regulation responsibilities to a provincial body within a determined time period.

This second option, too, is not recommended. Although a provincial or state combative sports commission has been successfully implemented in several Canadian provinces and American states, it is the history and tradition of those particular provinces and states that have led to the adoption of this governance model. In contrast, Alberta's history and tradition have created an environment that is not conducive to the adoption of a provincial combative sports commission, and it would be costly and difficult to adopt this governance model in Alberta. To begin with, it would not be within the control of Edmonton City Council to implement this solution, as it would be the provincial government's prerogative to accept or decline the responsibility to regulate combative sports events in the province. Additionally, this option would require the agreement of other municipalities and other regional jurisdictions in the province of Alberta to dissolve their combative sports commissions and to work with a common provincial regulatory body to oversee all combative sports events. As other Alberta municipalities and jurisdictions have developed local governance models that meet their needs well, they would be unlikely to support a decision to relinquish local control in this area and to work with a provincial body that would be likely to impose a greater administrative burden. Finally, the logistics of a provincial commission would be challenging to coordinate, as provincial Commission members would need to be drawn from several areas of the Province and both Commission members and staff would likely be required to travel frequently.

The City of Edmonton approached the Government of Alberta with a request to consider a Provincial model in 2000 and received a response indicating a lack of interest of the part of the Province. There is no indication that the position of the Government of Alberta has changed in subsequent years.

Ontario regulates boxing at a provincial level through the Ontario Athletic Commission (Ontario's narrow interpretation of Section 83 of the Criminal Code means they do not regulate wrestling or mixed martial arts). Ontario boxing regulation is administered by a single Chairman of the Ontario Athletic Commission.

The Province of Quebec regulates combative sports (as well as gaming and liquor) through the Quebec Sports and Gaming Commission. Quebec regulates boxing, kickboxing and mixed martial arts. Quebec regulation is guided by a 16 member Commission.

3.3. Option 3: Single-Commissioner and Administration Municipal Model

The third option would be to delegate all combative sports regulation responsibilities to a single Commissioner within the City of Edmonton. This option would entail the dissolution of the ECSC after a set time period and the appointment of one individual who has the industry experience and the necessary technical expertise to make sound decisions regarding the issue of

combative sports licenses and permits, and the approval or disapproval of combative sports matches. This Commissioner would require some knowledge of all the regulated combative sports, would strictly perform governance and oversight functions in relation to combative sports regulation, and would rely on Commission staff and / or other municipal functions and the combative sports industry to manage all administrative and technical functions. Thus, the City of Edmonton's license and permits function would be engaged to issue combative sports license and permits, the City Bylaw Enforcement, Police, Fire Department and other authorities would be responsible for the enforcement of event rules and regulations, and the combative sports industry: event promoters, event sanctioning bodies, industry professional associations and appointed officials would be responsible for organizing and managing events held in the city, abiding by the rules and regulations established by the Combative Sports Commissioner.

This option is not recommended, as traditionally it has been the City's choice to assign the responsibilities of combative sports regulation to a group of individuals, trusting that by utilizing the experiences of multiple members and bridging their multiple perspectives, the Commission will establish sound, well-informed policies, rules and regulations with respect to the practice of combative sports. The cultural tradition established by the Edmonton Boxing and Wrestling Commission and the Edmonton Combative Sports Commission do not warrant this solution. Practically speaking, this alternative would require significant changes to the existing bylaw and a well developed plan to transition from the current style of regulation to a new approach.

This model is used in many US jurisdictions, such as in the State of Missouri.

3.4. Option 4: Commission and Administration Municipal Model

The fourth option would be to engage other City of Edmonton municipal bodies to perform certain operational and administrative functions with respect to combative sports regulation, and to allow Commission members to focus primarily on combative sports governance functions: to review and establish event rules and regulations and to conduct adherence inspections and event hearings. If this option were chosen, the City's license and permits function would be engaged to issue all licenses and permits for combative sports events, the City would assign administrative support resources to help coordinate the Commission's administrative tasks, and agreements would be reached with the City Bylaw Enforcement, Police, Fire Department, and other authorities to enforce combative sports event rules and regulations. Additional Commission resources might be hired to perform the wide range of technical (sport specific) and operational activities related to combative sports regulation not delegated to City staff, and a rotating sub-committee of the Commission would attend and oversee each event.

This is one of two viable and more readily implemented options City Council may choose to adopt to resolve the current challenges faced by the Edmonton Combative Sports Commission. This option would involve a higher operational cost than is presently incurred to regulate combative sports in the city, as it would require the engagement of other City departments and additional Commission staff. However, it would resolve the heavy workload Commission

members are currently charged with, and would secure the Commission's time for the performance of all mandated governance duties. Assuming that the City is willing to make this investment, this option represents the optimal combative sports governance model.

The City of Calgary has implemented this type of governance model, but has found it necessary to continue to make adjustments to ensure that particular technical knowledge is applied in their operational and administrative processes.

3.5. Option 5: Strengthened Municipal Commission Model

The fifth and final combative sports governance option City Council may adopt is to maintain the Edmonton Combative Sports Commission and to improve its efficiency by transferring the majority of operational and administrative functions Commission members currently perform to Commission staff. Within this option, the Commission would retain the responsibility to perform mandated governance duties and to issue combative sports licenses and permits, while additional Commission human resources would be engaged to perform the majority of operational and administrative tasks. As in the previous option, a rotating sub-committee of the Commission would attend combative sports events to make strategic decisions when necessary.

Strengthening the current governance model may represent the most straight-forward and cost-efficient solution to implement in order to resolve the current challenges faced by the ECSC. However, there is a risk that the workload of Commission members will remain very high within this governance model. In order for this governance model to successfully resolve the challenges currently experienced by the Commission, a strong emphasis would need to be placed on the recruitment and training of Commission human resources and the delegation of many current ECSC activities to these Commission human resources.

Governance model options 4 and 5 are discussed in further detail in the sections that follow.

4. GOVERNANCE MODELS BEST SUITED FOR ADOPTION

Sierra Systems' research has indicated that the best-suited and most readily implemented governance models for the regulation of combative sports in Edmonton are:

- Governance Model 4: Commission and Administration Municipal Model
- Governance Model 5: Strengthened Municipal Commission Model

Following Sierra Systems' presentation to the Community Services Committee in January, the Committee reinforced its understanding that these two models represented viable governance alternatives for combative sports regulation in order to resolve the ECSC's current operational challenges. For this reason, only the two aforementioned governance models are developed in further detail in this report.

4.1. Desired Outcomes of Implementing a New Governance Model

By supporting the ECSC in the implementation of one of the two potential governance models for combative sports regulation, the Community Services Committee hopes that the ECSC will come to:

- Effectively manage itself as an organization to perform its business in a professional, transparent and organized manner.
- Effectively manage its human resources to assure that operational functions are attended to while the Commission retains the time and capacity to perform governance functions.
- Effectively manage internal and external business matters to minimize public contention.

The Commission may realize these desired outcomes by implementing either one of the two potential governance models. A review of the similarities and differences of the two models will allow the Community Services Committee to select the optimal governance model for combative sports regulation. Each alternative is considered in light of current ECSC practices and resources which limit the time and expertise available to plan, direct and manage required change at the ECSC.

A secondary outcome of any model selected should be the improvement and strengthening of the ongoing Commission–City relationship. Unlike most other City authorities, boards and commissions the ECSC has no continuing relationship with any part of the City Administration. In addition, the ECSC is self funding so does not make budget representations to the City. As a result the Commission and Community Services Committee rely on infrequent annual opportunities / contacts, such as consideration of new appointments or the submission of an ECSC annual report to discuss the relationship and / or assist the ECSC in addressing its issues.

4.2. Similarities and Differences of Governance Models 4 and 5

Both Governance Model 4 and Governance Model 5 uphold the multi-member Edmonton Combative Sports Commission as the primary regulatory body of professional combative sports in Edmonton. A solution which continues the existence of the multi-member ECSC is well-suited for the City of Edmonton for the following reasons:

- Edmonton's cultural tradition of assigning the responsibility of combative sports regulation to a multi-member Commission will be continued.
- The Edmonton Combative Sports Commission is presently effective at regulating combative sports events which take place in the city. The only warranted change is an improvement in the Commission's operational efficiency.
- Members of the Edmonton Combative Sports Commission have the good will and enthusiasm to improve the Commission's efficiency. They only require the appropriate resources to achieve the necessary improvements.

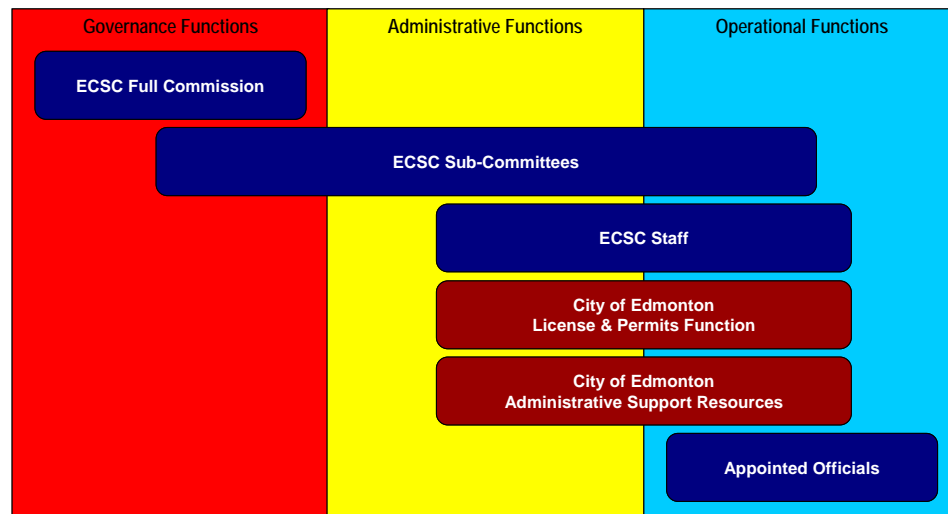
Furthermore, the implementation of both Governance Model 4 and Governance Model 5 would entail the delegation of some governance functions and the majority of operational and administrative functions to sub-committees of the Commission and to other parties. The difference between these two governance models lies in the parties that would be engaged to take over the majority of the Commission's operational and administrative functions:

- Within Governance Model 4, operational and administrative functions would be delegated to Commission staff, appointed officials, the City of Edmonton license and permits function, and City of Edmonton administrative support resources.
- Within Governance Model 5, operational and administrative functions would be delegated to Commission staff and appointed officials only.

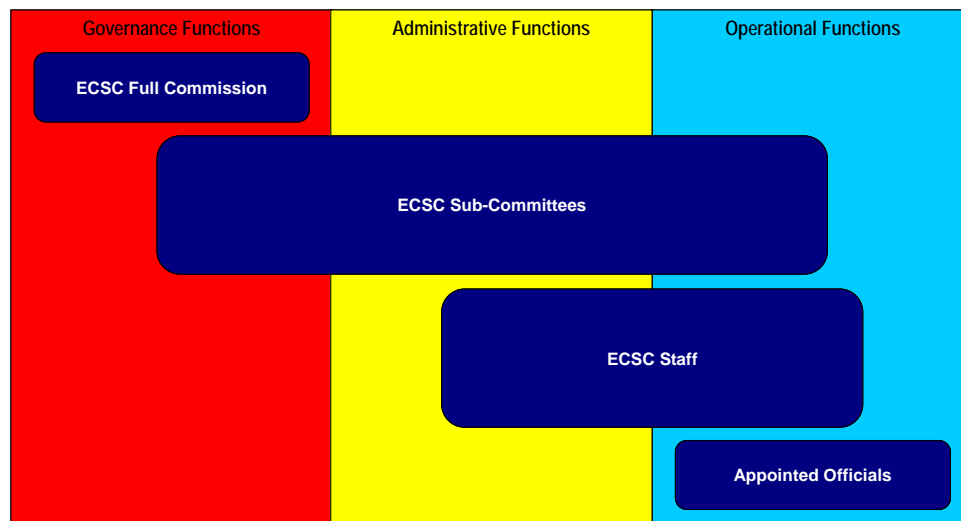
4.3. Summary Profiles of Governance Models 4 and 5

The diagrams below depict the division of governance, operational and administrative responsibilities among the different parties that would be engaged to regulate combative sports in Edmonton under Governance Model 4 and Governance Model 5. The key difference between the two governance models is the appointment of City of Edmonton resources external to the ECSC to perform chosen operational and administrative functions related to combative sports regulation.

Governance Model 4: Commission and Administration Municipal Model



Governance Model 5: Strengthened Municipal Commission Model



4.4. Detailed Profiles of Governance Models 4 and 5

Through review of Bylaw 14308, ECSC procedures and interviews with Commission members and the Commission’s Executive Director, Sierra Systems has identified the activities currently performed by the Commission and its staff and appointed officials to regulate professional combative sports events in the city. These activities have been grouped into governance, operational and administrative functions. To develop a detailed design of Governance Models 4 and 5, the responsibility for each activity identified will need to be assigned in a suitable manner to one or more parties that ECSC has chosen to assist the Commission to regulate combative

sports in Edmonton. The charts that follow list the Commission’s current governance, operational and administrative activities and assign these activities to parties who may potentially be responsible for performing them.

Chart 1: Functions and Activities Currently Performed by the ECSC

Functions	Activities Performed Within Functions	Parties Who May Be Responsible for Activities
Governance Functions	• Develop policies, procedures & processes	<ul style="list-style-type: none"> • ECSC Full Commission • ECSC Sub-Committees
	• Review policies, procedures & processes	
	• Perform policy adherence inspections	
	• Approve events	
	• Conduct post-event hearings	
	• Conduct hearing appeals	
	• Monitor Commission operations	
	• Annually report on Commission’s operations	
Administrative Functions	• Schedule events & Commission meetings	<ul style="list-style-type: none"> • ECSC Sub-Committees • ECSC Staff: Executive Director, Meeting recorder • Other resources contracted by the ECSC
	• Record-keeping	
	• Financial transactions	
	• Human resource recruitment, training, compensation, performance management	
	• Communications	
	• External relations	
	• Technology assistance	
	• Legal advisory	
	• Facilities management	
	• Contract management	
Operational Functions	• Issue, monitor, rescind licenses & permits	<ul style="list-style-type: none"> • ECSC Sub-Committees • ECSC Staff: Executive Director • Appointed Officials
	• Appoint officials for oversight of events	
	• Review contestant statistics & history	
	• Approve matches	
	• Weigh-in duties: locker room supervision	
	• Night-of-event duties: ring-side supervision	
	• Event record-keeping	
	• Contestant monetary payouts	
	• Event reporting	

Chart 2: Potential Division of Combative Sports Regulation Responsibility

Regulating Party	Responsibilities Assigned to Party
ECSC Full Commission	<ul style="list-style-type: none"> • Develop policies, procedures & processes • Review policies, procedures & processes • Approve events • Executive Director’s recruitment, training, compensation, performance management • Annually report on Commission’s operations
ECSC Sub-Committees	<ul style="list-style-type: none"> • Perform policy adherence inspections • Conduct post-event hearings • Conduct hearing appeals • Monitor Commission operations • Schedule events & Commission meetings • Record-keeping • Communications • External relations • Approve matches • Weigh-in duties: locker room supervision • Night-of-event duties: ring-side supervision • Event record-keeping • Event reporting
ECSC Staff: Executive Director and other contracted resources	<ul style="list-style-type: none"> • Record-keeping • Communications • Legal advisory • Appoint officials for oversight of events • Review contestant statistics & history • Weigh-in duties: locker room supervision • Night-of-event duties: ring-side supervision • Event record-keeping • Contestant monetary payouts • Event reporting
City of Edmonton License & Permits Function	<ul style="list-style-type: none"> • Issue, monitor, rescind licenses & permits
City of Edmonton Administrative Support Resources	<ul style="list-style-type: none"> • Schedule events & Commission meetings • Record-keeping • Financial transactions • Human resource recruitment, training, compensation, performance management

Regulating Party	Responsibilities Assigned to Party
	<ul style="list-style-type: none"> • Communications • External relations • Technology assistance • Facilities management • Contract management
Appointed Officials (event judges, referees, score keepers, inspectors, ring general, paymaster)	<ul style="list-style-type: none"> • Weigh-in duties: locker room supervision • Night-of-event duties: ring-side supervision • Event record-keeping • Contestant monetary payouts • Event reporting

Sierra Systems believes that the successful implementation of either the Commission and Administration Municipal Model or the Strengthened Municipal Commission Model will require an investment of financial and human resources on the part of the City of Edmonton, and an in-depth strategic planning and operational/business planning effort on the part of the ECSC. Since the ECSC must attend to day-to-day business activities as combative sports events are scheduled and held throughout the year, the required strategic and operational/business planning effort will need to take place over an extended period of time, allowing Commission members to attend to planning activities as their schedule allows for it. The following section contains an implementation plan which outlines the activities the ECSC will need to complete in order to make the transition from its current governance model to a new governance model.

5. GOVERNANCE MODEL IMPLEMENTATION PLAN

It is foreseen that the ECSC will require approximately one year to fully develop a detailed strategic and operational plan, and another year to operationalize these plans and complete the implementation of a new governance model. This section outlines the work steps the ECSC may choose to follow and the guiding questions the ECSC may structure working sessions around in order to successfully make the transition from the current state to the desired future state.

The necessary effort to achieve a desired future state is three-fold: the Commission will need to manage the change process so that it may implement new structures and processes while it attends to day-to-day business activities; the Commission will need to undertake a strategic planning effort to define the Commission's goals and how these goals will be achieved; and the Commission will need to undertake an operational / business planning effort to formalize its processes and to plan for and secure the necessary resources to perform its duties.

Below appears a summary of work steps within each of the three components of the governance model implementation plan. Each component is discussed in further detail in the sections that follow.

1. Change Management:

- Create sub-committees of the ECSC in order to secure the time for some Commission members to attend to strategic planning and operational planning activities while the remaining Commission members attend to ongoing combative sports operational activities.
- Hire or designate a part-time "CEO/Change Manager" who has broad business management expertise and who can manage the transition process and guide the Commission through the strategic planning and operational planning process.
- Hire or designate an administrative support resource to manage the Commission's administrative tasks, documents and records assuring Commission members that best practices are employed and reducing the time they presently devote to administration to attend to strategic planning and operational planning activities.
- Develop a transition project charter and work plan and complete strategic planning and operational planning activities using a structured, analytical approach to decision-making.

2. Strategic Planning:

- Review and confirm the ECSC's vision, mandate, goals and principles, defining the Commission's business (draft proposals were developed by Sierra Systems and presented to Commission members as part of this project). This will include a review of the Commission's current mandate under Bylaw 14308 and the Commission's strategic decision to regulate or not to regulate any particular combative sport.

- Determine which parties external to the Commission may best support combative sports regulation in Edmonton and confirm the design of an optimal governance model for the ECSC, building on the basic design of the Commission and Administration Municipal Model or the Strengthened Municipal Commission Model. The determination must consider whether the historic fiscal model of the ECSC will support the Commission in the future.

3. Operational / Business Planning:

- Define, simplify where appropriate and document all governance, administrative and operational processes the Commission, its staff and any appointed municipal partners will use to regulate combative sports in Edmonton. These processes may include, but not be limited to:
 - The strategic planning process, including any stakeholder engagement practices
 - The rules, regulations, policies and procedures review process
 - The annual Commission reporting process
 - The record-keeping and record-management process
 - The license and permit application and approval process
 - The event and match approval process
 - Event preparation processes
 - Night-of-event processes
 - Post-event processes
- Identify the projected annual volume of business activity (the anticipated number of combative sports events) and the resources needed to perform all functions and activities:
 - The human resources required to perform all regulation activities, including the required numbers of individuals and skill sets of individuals.
 - The time required to perform all regulation activities, including the anticipated time commitment of Commission members, commission staff and /or appointed officials, and any municipal partners.
 - The financial resources required to perform all regulation activities, including the Commission's fixed costs and variable costs per combative sports event. The projected fees to be recovered from these same regulated activities. The appropriateness of the Commission's fee structure.
 - The technology and facilities the Commission needs to perform its activities, such as: a regular meeting facility, information technology, office space and record retention facilities.
- Identify existing gaps in resources required to perform all regulation activities.

- Develop strategies to fill any identified gaps in Commission resources. Of particular importance will be personnel recruitment and / or training strategies to fill gaps in human resources, and financing strategies to fill gaps in financial resources.

5.1. Change Management Effort

The seven Edmonton Combative Sport Commission members appointed by Council are volunteers who receive no pay or honorarium for their work. They are expected to attend regular monthly Commission meetings and their procedures require at least four members to attend each weigh in and event. The Commission is supported in its work by a part time “Executive Director” and by a contracted recording secretary at their regular meetings. The Executive Director’s time is largely engaged in technical operational matters (permits, licensing, weigh in and event management). The Commission draws on a local pool of experienced and ECSC trained officials to provide inspectors, referees, judges, etc. for events. Some of these appointed officials, and the Executive Director have also been called on by other Commissions to work for them. The capacity of this combined “talent pool” has remained relatively unchanged over the years and with the increase in combative sport events has found it increasingly difficult to keep up with demands. Without changes to the way the Commission conducts its business there is a risk of volunteer burn out, insufficient attention to matters of Commission leadership and governance, insufficient time or effort to address operational matters, and further challenges in the recruitment and retention of qualified people in all positions.

Change has been underway at the Commission for some time – the introduction of a revised Bylaw marks a key point in the change, however further changes are required. Sierra Systems recommends a planned and concerted change effort to introduce essential new methods to the Commission’s practices, including: the use of committee assignments to divide up the work of the Commission members and secure time for more strategic matters; the retention of an additional paid resource with broad senior not-for-profit and volunteer management experience to assist the Commission in its strategic management of the Commission’s work and in the design and project management of the required changes; the retention of knowledgeable administrative support to develop and maintain up-to-date administrative and records systems and bring existing records into line with the revamped system; and the development by the Commission of an overarching project work plan to guide the proposed changes and the ongoing work of the ECSC through its 2007-08 and 2008-09 seasons.

The volunteers who comprise the ECSC were recruited for their knowledge of combative sports and their interest in ensuring the continued safe conduct of these sports in Edmonton. They require ongoing support of several types – as well as a “road map” to guide them in changing the way the Commission functions. Without this support they will continue to struggle to achieve change as they lack the time and resources to accomplish significant changes in a timely fashion. Similarly the Executive Director was recruited for his technical knowledge and experience of the industry and is not able to provide the Commission with the broad strategic advice and project management support that will be required to bring about change.

The change management effort will require additional financial resources from the City if the Commission does not / cannot support the additional financial requirement from Commission resources during the proposed two year change period. The cost of the additional resources will depend on the work the Commission expects of the additional resources. It would seem reasonable to estimate that the additional resources might require expenditure in the range of \$25,000 to \$75,000 per year. These costs might be apportioned in the range of 2/3 for “CEO/Change Manager” support and 1/3 for Administrative support

Other specific initiatives should be undertaken by the Commission in order to drive and monitor progress with the change management effort:

- Identify and implement processes to allow Commission members more time outside of events to dedicate to other Commission business. This may mean the establishment of new rules as to the number of members required at events and / or the establishment of Committees to deal with Commission business.
- Development of a standing agenda for regular Commission meetings that includes dedicated time for strategic, governance, project management and change management matters – in addition to the ongoing technical/operational work of the Commission. Develop complementary status and decision recording mechanisms so that all involved understand direction and decisions of the Commission.
- Completion of the orientation manual (a Commission Member Orientation Manual Table of Contents is a byproduct of this review) and establishment of a regular annual orientation for all new and continuing Commission members.
- Provide information to the Community Services Committee on the particular experience and competencies which the Commission would like to add to the current membership so that the City can recruit to the particular needs of the Commission.
- Identify change targets and dates that the Commission desires to achieve, such as: new processes to free Commission member time defined and implemented by June 2008, new agenda developed and in use by May 2008, orientation manual completed and used for first time June 2008, strategic planning workshop to be held summer of 2008, etc.

5.2. Strategic Planning Effort

The ECSC has no planning process – no strategic or multi-year plan nor does it develop annual business plans. The Commission works year-to-year expecting that future years will be similar to the past and that any changes required can be made during the year. This approach did not foresee the increase in events that has caused the current time demands on Commission members and does not address other significant issues such as the changing types of events or the recent appearance of another nearby Commission which regulates an number of events in the Edmonton region.

- The ECSC needs to conduct a facilitated strategic planning session for the Commission building on information and materials presented to them as part of this review. Clarity of

purpose would be described by ECSC statements about vision, mandate, goals and principles and set the context for more detailed plans for coming years. Part of the review leading to a strategic plan should include a review of the Commission's current mandate under Bylaw 14308 and the Commission's strategic consideration of whether it is necessary to regulate or not to regulate any particular combative sport. The plan should identify other significant issues facing the Commission and describe the Commission's planned approach and timing to develop resolutions to those issues. There are a number of existing issues to be addressed including

- Should wrestling be regulated in Edmonton?
 - What will be the longer term impact of having another Commission in the region? How will events evolve in the future?
 - How will the Commission develop new talent to fill the multiple roles required?
 - Should the Commission look to the City Administration to provide permit and licensing functions?
 - If the Commission changes the regulatory model currently in place can the Commission remain self financing or will City support be required?
 - And others.
- The strategic plan should include a process to gather input from industry stakeholders through a purposeful engagement process.
 - The strategic plan must also identify the Commission level resources required (in terms of numbers and competencies of Commission members) and also the staff and appointed official level resources that will be required to carry out the plans.
 - The strategic plan should be documented and distributed to Council and to stakeholders so that all can have a better understanding of the Commission's intent for current and coming years. The strategic plan should include a monitoring and reporting mechanism that will provide the Commission and stakeholders with progress reporting and insights for planning for future time periods.

5.3. Operational / Business Planning Effort

Some of the immediate operational and business plan steps are identified above. Initially the Commission needs to make some key decisions about use of Commission member time and effort, identify and secure additional "CEO/Change Management" and Administrative support to complement existing resources and develop a time specific plan to initiate the actions proposed by this review. Once the basic implementation resources are established there are a range of detailed operational activities that require review and change as listed below. Initially the change efforts need to be defined as projects to develop new approaches to the way the Commission does business, but once defined and approved for implementation by the Commission these changes need to become the Commission's ongoing way of doing business.

- Develop more open and transparent governance processes such as advertised, regular open meetings and posting of agendas minutes and plans on a Commission website.
- Define, simplify where appropriate and document all governance, administrative and operational processes the Commission, its staff and any appointed municipal partners will use to regulate combative sports in Edmonton. These processes may include, but not be limited to:
 - The strategic planning process, including any stakeholder engagement practices
 - The rules, regulations, policies and procedures review process
 - The annual Commission reporting process
 - The record-keeping and record-management process
 - The license and permit application and approval process
 - The event and match approval process
 - Event preparation processes
 - Night-of-event processes
 - Post-event processes
- Identify the projected annual volume of business activity (the anticipated number of combative sports events) and the resources needed to perform all functions and activities:
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 - The time required to perform all regulation activities, including the anticipated time commitment of Commission members, commission staff and /or appointed officials, and any municipal partners.
 - The financial resources required to perform all regulation activities, including the Commission's fixed costs and variable costs per combative sports event. The projected fees to be recovered from these same regulated activities. The appropriateness of the Commission's fee structure.
 - The technology and facilities the Commission needs to perform its activities, such as: a regular meeting facility, information technology, office space and record retention facilities.
- Identify existing gaps in resources required to perform all regulation activities.
- Develop strategies to fill any identified gaps in Commission resources. Of particular importance will be personnel recruitment and / or training strategies to fill gaps in human resources, and financing strategies to fill gaps in financial resources.

6. CONCLUDING REMARKS

The Edmonton combative Sports Commission's members acknowledge the challenges they have faced in the past several years – and the progress they have been able to make in aligning their operation to the revised City Bylaw. Their efforts at achieving change are hampered by: the “busyness” of the Commission; their approach to dealing with the growing number of events through traditional methods; the lack of any connection to or support from the Civic Administration; and the limited capacity of the Commission's own contracted human resources.

While the ECSC intends to continue to improve on their existing practices they require additional support to overcome the obstacles they face. City Council can assist in several ways:

- Provide the Commission with members who meet the new and emerging requirements of Commission governance.
- Set clear expectations for the Commission in terms of the changes outlined in this report.
- Provide interim financial support if required by the Commission to fund change management.

This report has taken the approach that the ECSC has effectively regulated combative sports but is faced with a number of issues that make it less than efficient in its workings. As an appointed committee of Council the Commission should be held accountable for developing, implementing and managing plans to carry out the authorities provided by Bylaw 14308 and should be provided the opportunity to conduct Commission business as best they can. This review has undertaken to work with the Commission to identify needed changes and a method for implementing change which is reasonable and practical given the volunteer nature of the Commission and the range of matters that should be addressed.

This report is supported by two supplementary documents providing more detailed information intended to assist the City and the ECSC in moving ahead with the ideas and changes noted in this report:

- Edmonton Combative Sports Commission, Governance Model Implementation Plan
- Edmonton Combative Sports Commission, Commission Orientation Manual : Outline

7. RECOMMENDATIONS

The following broad recommendations are based on the review conducted, and discussions with Edmonton Combative Sports Commission members and the Office of the City Clerk.

1. Follow through on the processes for strategic governance change and implementation developed as a result of this review and documented in the “ECSC Governance Model Implementation Plan”.

A purposeful plan to implement change is necessary to assist the Edmonton Combative Sports Commission. An “ECSC Governance Model Implementation Plan” covering change management, strategic planning, business / operational planning, and implementation has been developed and provided to the Office of the City Clerk as a companion piece to this report. The proposed implementation plan incorporates a stronger governance and operational approach, including consideration of closer ties with the City Administration through the Development Compliance Branch.

2. Identify and assign appropriate human resources to assist the Edmonton Combative Sports Commission in implementing the two year “Governance Model Implementation Plan”.

The Plan proposes the acquisition of a part-time CEO / Change Manager; the appointment of continuing Administrative Support to support change and provide more effective ongoing operational services and systems; and will, consequently, require the refocusing of the role and responsibilities for the current Executive Director position to an “event management” position that ensures the operational burdens on Commission members are reduced. The longer term event management role will be more specifically defined through the operational planning process incorporated in the “ECSC Governance Model Implementation Plan”.

3. Provide the financial resources required to support the “Governance Model Implementation Plan”.

The current financial position and resources of the Commission will not be adequate to support the “ECSC Governance Model Implementation Plan”. In order to achieve the changes in governance and operational performance that is proposed for the Commission, the City of Edmonton will need to make a significant investment in the change initiative.

Appendix A. Interviews Conducted in Project Phase 1

The following individuals were interviewed in Phase 1 of the project:

- All members of the 2006-2007 Edmonton Combative Sports Commission:
 - John Campbell
 - Mark Grotski
 - Maria Holowinsky
 - Dale Kliparchuk
 - Mary Modrovic
 - Geoffrey Myers
 - Dave Wiles
- Orest Zmyndak, Executive Director of the Edmonton Combative Sports Commission
- Barry Spizler - Sports Law Attorney in Maryland
- Al MacKechnie - Chairman of the River Cree Combative Sports Commission
- Candy Schacter - Chairman of the Calgary Combative Sports Commission
- Tim Lueckenhoff - Director of the Missouri Office of Athletics; and President of the American Boxing Commission (ABC)
- Ken Hayashi – Chairman Ontario Athletic Commission, Ministry of Consumer Affairs
- Ed Pearson - Secretary Treasurer, Canadian Boxing Federation; President, Women's Division of the World Boxing Council; and Vice President, North American Boxing Federation
- Mario Latraverse – Chairman, Quebec Sports and Gaming Commission
- Daniele Gagnon - President, Canadian Boxing Federation

Appendix B. Summary of Environmental Scan

Methodology

The environmental scan was conducted to understand the environment in other jurisdictions, mainly with respect to: the role of the commission; the role of the commission members; communicating the Commission's role; risks and advantages of the current model; relationships with other commissions; and the process for handling regulatory infractions.

Five jurisdictions were researched and approached to provide additional information including: the City of Calgary, The States of Missouri and Nevada, and the Provinces of Ontario and Quebec. The regulatory bodies reviewed included:

- City of Calgary - the Calgary Combative Sports Commission;
- State of Missouri - the Missouri Office of Athletics;
- State of Nevada – the Nevada State Athletics Commission;
- Province of Ontario – the Ontario Athletic Commission, Ministry of Consumer Affairs; and
- Province of Quebec – the Quebec Sports and Gaming Commission

Following initial research, interviews were conducted with senior members or staff in four of these jurisdictions. Unfortunately the Nevada State Commission was unable to meet Sierra Systems' request for an interview. Information on Nevada has been excluded as we were unable to verify the information with a member of the State Commission.

Conclusions

The research conducted by Sierra Systems exposed some standard practices or overarching themes that spanned most if not all jurisdictions. In most cases, these themes demonstrate similar thinking and approach. Conversely, there were certain distinct characteristics present in one or two jurisdictions but not the others.

Overarching Themes

- In all jurisdictions the regulatory agency is in place for the safety of the athletes and ensuring rules and regulations are upheld and maintained.
- The Provincial / State level regulatory model seems to be more frequent. Such agencies cover the entire province or state and present new opportunities for promoters to hold events in different cities.
- In many jurisdictions the Commission members and staff are full time employees rather than volunteers.

- Most jurisdictions have commission members working in certain aspects of the operational side as well as governing / directing the commission. In these jurisdictions there are clear roles and responsibilities for commission duties.
- Mixed martial arts are a growing sport in all jurisdictions (where allowed) and are providing new challenges for commissions. Commissions must remain adaptable to the changing landscape of this sport to ensure that they can stay true to their mandate and vision of protecting the athlete and ensuring standards are maintained.
- The “world” of combative sports represents a relatively small proportion of the population in most areas and thus forms a small pool from which to draw regulators. It seems that “everyone knows each other” and that problems experienced in one jurisdiction are known by most other jurisdictions. Recruiting to regulatory positions becomes difficult when trying to find qualified personnel who do not have some form of potentially conflicting affiliation within the combative sports industry.

Distinctive Characteristics

- Calgary’s Executive Director works out of the Permits and Licensing Department of the City Administration. The operational aspects of the Commission are tightly integrated with and supported by the Department.
- The Province of Ontario is focused on Section 83 of the Criminal Code as it applies to boxing. Due to their interpretation of Section 83 wrestling is no longer regulated in Ontario and they do not provide for regulation of mixed martial arts. Ontario is not concerned with promotion of the sport.
- The Province of Quebec has 16 commission members, but only 2 deal with the Combative Sports section of the broad mandate of the Commission which also includes regulation of gaming and liquor. The Executive Director conducts most of the combative sports regulatory work and recommends changes and matches to the Commission.
- The State of Missouri has a full time staff of 2 people who are able to regulate 180 shows a year across the state. They demonstrate a clear set of roles and responsibilities within the office and an efficient operational plan.

Leading Practices

This Section describes some of the leading practices that were observed in this research.

- Clearly stated policies and guidelines for Commissioners and staff
- Well run authorities have strong business plans that establish goals for the year and plans for the year’s events.
- Strong screening processes are in place to vet commission candidates in leading jurisdictions, as not everyone can do the job.
- Leading regulatory authorities strive to ensure that the people doing the work are as qualified as possible through the provision of training for both new commission members and staff.

- Leading Commissions ensure that they have a clear code of ethics for the commission to follow.
- Leading Commissions ensure that their members are not part of, nor have ties to, sanctioning bodies and that members are instructed not to accept gifts from industry insiders or promoters.
- Most Commissions spoke of the importance of clearly defined roles, responsibilities, policies, fiduciary duties, and reporting requirements for all parties. This ensures well defined roles for both commission members and their staff.
- Leading Commissions ensure that there are sufficient resources to carry out the duties of the Commission and the regulatory functions of staff so that the Commission can uphold the mandate of protecting the athletes.
- Commissions require the right tools to carry out their duties – backed up by regularly updated legislation and regulations.