RESPONSE TO GRAND JURY REPORT FINDINGS AND RECOMMENDATIONS

REPORT TITLE: **"MCE, MARIN CLEAN ENERGY: A SERIES OF MISSTEPS HIGHLIGHT NEED FOR GOVERNANCE CHANGES"**

REPORT DATE: **June 16, 2026**

RESPONSE BY: **City of Sausalito City Council**

CITY COUNCIL: **September 15, 2026**

GRAND JURY FINDINGS

- The City agrees with Findings F4 and F5.

GRAND JURY RECOMMENDATIONS

- Recommendation R5 will not be implemented at this time.
- Recommendation R6 is already being implemented.

Date: Sept 15, 2026

Signed: Steven Woodside

Mayor, Steven Woodside

RESPONSE TO GRAND JURY FINDINGS

F4. Many Board members have — quite understandably — limited expertise regarding a large and complex company such as MCE.

Response: Agree

The City agrees that MCE's 34-member Board of Directors is composed of locally elected officials who are not full-time energy or utility professionals, and that MCE is a large and complex organization. This is a result of the MCE Joint Powers Agreement, under which each member jurisdiction appoints a sitting elected official to the MCE Board.

F5. All MCE Board members are local elected officials who face competing demands on their limited time and resources; as a result, meeting attendance has often been poor, and insufficient for optimally effective governance.

Response: Agree

The City agrees that its appointed MCE Board representative, like all MCE Board members, is a sitting local elected official with independent obligations to the City Council, the residents they serve, and other public bodies, and that these competing demands can affect the representative's capacity to attend every MCE Board and committee meeting. However, the most recent Sausalito appointed representative has maintained a strong record of attendance at MCE Board meetings since being appointed in September 2025.

RESPONSE TO GRAND JURY RECOMMENDATIONS

R5. By December 31, 2026, all of MCE's Marin jurisdictions (and preferably, all 38 jurisdictions covered by MCE) should implement a process by which its appointed Board member (or, in that person's absence, the designated alternate member) commits to attending each regular Board meeting.

This recommendation will not be implemented at this time.

The City Council expects and encourages its appointed MCE Board representative and alternate to attend MCE Board meetings regularly and will continue to communicate that expectation. This matter is most appropriately and consistently addressed by the MCE Board of Directors itself in connection with the governance assessment that the MCE Board has commissioned, rather than through 38 separately devised local processes.

R6. By December 31, 2026, all of MCE's Marin jurisdictions (and preferably, all 38 jurisdictions covered by MCE) should reassess their appointments of chosen Board members to prioritize those with the most extensive financial and energy expertise.

This recommendation is already being implemented.

The City Council's existing process for appointing its representative and alternate to the MCE Board, considers each prospective appointee's relevant background and subject-matter familiarity, including any financial, energy-sector, or utility experience, alongside other factors the Council weighs in making such appointments, such as availability and community representation. The City Council will continue to consider these factors as a relevant factor in its appointment to the MCE Board, consistent with this recommendation.