



City of Starbase
Notice of City Commission Special Meeting
48491 State Highway 4
Starbase, TX 78521
June 3, 2026
7:00 PM

Pursuant to Section 551.127, Texas Government Code, one member of the City Commission may attend this meeting remotely using videoconferencing technology. A quorum of the Commission will be physically present at the location provided above.

Public Comment Policy:

Pursuant to Texas Government Code 551.007, citizens wishing to address the Commission may do so during the listed public comment sessions. A person who addresses the Commission, including during a public hearing, must limit his/her remarks to the agenda items only. Citizens wishing to address the Commission on items requiring a public hearing shall address the Commission during the public hearing. The public comment sessions are reserved for items on the agenda that do not have a public hearing.

Citizens wishing to speak during Public Comment or Public Hearing must first complete a speaker card and submit it to the City Clerk five minutes before the beginning of the meeting. Once recognized by the Mayor, please step forward to the speaker's podium, state your name and address and speak directly into the microphone. No discussion or action may be taken by the Commission at this meeting on any item not listed on the agenda, other than to make statements of factual information or recite existing policy in response to a citizen's inquiry.

Time limits:

- *Public comment period: citizen comments are limited to two (2) minutes per individual per public comment period.*
- *Public hearing: citizen comments are limited to three (3) minutes per individual per public hearing.*
- *Mayor's discretion: if ten (10) or more speakers sign up to speak per public hearing, the Mayor may reduce the time allotted to each speaker to no less than one minute per speaker.*

- *Translator: members of the public requiring the use of a translator shall be given twice the amount of time to speak than speakers who do not require the assistance of a translator.*
- *Time limits do not apply to the Commission, City staff, or guests invited by the Commission to provide input on an agenda item.*

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City of Starbase
City Commission Special Meeting Agenda
June 3, 2026
7:00 PM

A. Call to Order and Quorum Determination

B. Pledge of Allegiance

C. Public Comment on All Agenda Items

Comments limited to two minutes per individual, as set forth above.

D. Consent Agenda

1. Action regarding the minutes of the May 28 City Commission meeting.
2. Discussion and action to approve the Starbase Economic Development Corporation's Regulations for Receiving and Approving Applications for Bond Financing.

E. Regular Session

1. Discussion and action on City policy regarding the operation of Unique Vehicles, including, without limitation, off-highway vehicles, Golf Carts, and Neighborhood Electric Vehicles (NEVs), within city boundaries.
2. Conduct a **public hearing**^[1] on a request for an amendment to the Official Zoning Map by changing the district boundary (comments limited to three (3) minutes per individual) and take action on request for amendment.

F. Commission/City Administrator Comments

1. Items of Community Interest: Pursuant To Texas Government Code Section 551.0415 The Mayor, Commission, and City Administrator May Report On The Following Items: (1) Expression Of Thanks, Congratulations Or Condolences; (2) Information Regarding Holiday Schedules; (3) Recognition Of Individuals; (4) Reminders About Upcoming City Commission Events; (5) Information Regarding Community Events; (6) Announcements Involving Imminent Threat To Public Health And Safety.
2. City Administrator's Report
3. Future agenda item requests – no discussion or action may be taken by the Commission on future agenda item requests.

K. Adjourn

NOTE: *The City Commission reserves the right to meet in executive session closed to the public at any time during the course of this meeting to discuss matters listed on the agenda, as authorized by the Texas Open Meetings Act, Texas Government Code, Chapter 551, including § 551.071 (private consultation with the attorney for the city); § 551.072 (discussing purchase, exchange, lease or value of real property); § 551.073 - (deliberation regarding prospective gift); § 551.074 (discussing personnel or to hear complaints against personnel); § 551.076 (deliberation regarding security devices or security audit); § 551.087 (discussing economic development negotiations); § 551.089 (deliberation regarding security devices or security audits, and/or other matters as authorized under the Texas Government Code). Any decision on such matters will be taken or conducted in open session following the conclusion of the executive session.*

Requests for accommodation or interpretive services must be made 48 hours prior to this meeting. Please contact the City Clerk's office.

I, City Clerk Gretchen Norton, certify that this notice of meeting and agenda of items were posted on the official bulletin board of the City of Starbase, Texas and on the City's website at <https://starbase.texas.com/> in accordance with Chapter 551, Texas Government Code at least 3 business days prior to the start of the meeting, and shall remain posted until the meeting is adjourned.



Gretchen Norton, City Clerk

Date: May 28, 2026

S T A R B A S E

CITY COMMISSION AGENDA MEMO

TO: Mayor and City Commission

FROM: City Administrator

MEETING DATE: June 3, 2026

ITEM: Consent Agenda

SUMMARY: The City Commission is requested to approve the following items as part of the Consent Agenda.

BACKGROUND: The Consent Agenda includes routine and non-controversial items that may be approved in a single motion. The following items are included:

- Action regarding the minutes of the May 28, 2026 City Commission meeting.
- Discussion and action to approve the Starbase Economic Development Corporation's Regulations for Receiving and Approving Applications for Bond Financing.

STAFF RECOMMENDATIONS: It is recommended that the City Commission approve the Consent Agenda as presented.

MOTION: "I move to approve the Consent Agenda as presented."

ATTACHMENTS:

- Minutes – May 28, 2026 City Commission Meeting
- Starbase EDC Bond Financing Regulations

CITY OF STARBASE
City Commission Special Meeting
MINUTES

Date: Wednesday, May 28, 2026
Time: 7:00 p.m. – 7:59 p.m.
Location: 48491 State Highway 4, Starbase, Texas 78521

A. CALL TO ORDER AND QUORUM DETERMINATION

The special meeting of the City Commission of the City of Starbase was called to order at 7:00 p.m. by Mayor Bobby Peden. Also present were Commissioner Jordan Buss and Commissioner Lois Wallace. City Administrator Cayetana Polanco and City Clerk Gretchen Norton were also in attendance.

Three (3) of three (3) Commissioners were present, constituting a quorum.

B. PLEDGE OF ALLEGIANCE

Mayor Peden led those present in the Pledge of Allegiance.

C. PUBLIC COMMENT ON ALL AGENDA ITEMS

Mayor Peden opened the floor for public comment on all agenda items (excluding the public hearing scheduled later in the meeting). Citizens wishing to speak were required to have submitted a speaker card to the City Clerk at least five (5) minutes before the start of the meeting. Comments were limited to two (2) minutes per individual.

City Clerk Gretchen Norton confirmed that no speakers had submitted cards. The public comment period was closed.

D. SWEARING-IN CEREMONY

Item D.1 – Oaths of Office, Statements of Officers, and Certificates of Election

Mayor Peden noted that candidates for Mayor and City Commissioner ran unopposed in the 2026 General Election. On March 18, 2026, the City Commission adopted an ordinance dispensing with the necessity of holding that election and declared the following individuals duly elected: Robert Peden as Mayor, Jordan Buss as Commissioner, and Lois Wallace as Commissioner.

Mayor Peden stated that the Commission would administer the Oaths of Office and Statements of Officers, and deliver Certificates of Election as recommended by the City Clerk.

Motion: Commissioner Wallace moved to approve the administration of the Oaths of Office, Statements of Officers, and delivery of the Certificates of Election.

Second: Commissioner Buss

Vote: 3–0. Motion passed unanimously.

City Clerk Gretchen Norton administered the Oath of Office to Mayor Bobby Peden, Commissioner Jordan Buss, and Commissioner Lois Wallace in succession. Each official read and signed their Statement of Officers and received their Certificate of Election. Mayor Peden thanked the officials for their continued service.

Item D.2 – Appointment of Mayor Pro Tem (Resolution No. 2026-14)

Mayor Peden explained that pursuant to Ordinance No. 2026-12, the City Commission seeks to elect one Commissioner to serve as Mayor Pro Tempore for a one-year term. The Mayor Pro Tem will perform the Mayor’s duties if the Mayor is unable to act and will be designated as the emergency interim successor under the Texas Government Code.

Motion: Commissioner Wallace nominated Commissioner Jordan Buss and moved to approve Resolution No. 2026-14 appointing Jordan Buss to serve as Mayor Pro Tempore for a term of one year, or until another is appointed, and designating the Mayor Pro Tem as the emergency interim successor.

Second: Commissioner Buss

Vote: 3–0. Motion passed unanimously.

Mayor Peden noted that Commissioner Buss had performed well in the role during the prior year. Commissioner Buss was thanked for his continued service.

E. CONSENT AGENDA

Mayor Peden introduced the Consent Agenda, noting that it includes routine, non-controversial matters that may be approved in a single motion. City Administrator Cayetana Polanco presented the following items included in the Consent Agenda:

- Minutes of the April 20, 2026 City Commission meeting.
- Resolution designating the time and place for City Commission meetings; designating the new temporary City Hall at 48491 State Highway 4 as the location for posting meeting notices; updating the City bulletin board locations; providing for notices to be posted on the City’s website; repealing Resolution No. 2025-10-15-D04-RE and Resolution No. 2025-05-30-F03-RE; and providing an effective date.
- Resolution adopting the City holiday schedule for the period of June 1, 2026 through May 31, 2027.
- Contract with Mark 43 for law enforcement records management and related services.
- Bylaws of the Starbase Economic Development Corporation (previously adopted by the EDC Board on May 16, 2026, subject to City Commission approval).

- Engagement of Spencer Fane LLP as legal counsel to the Starbase Economic Development Corporation (previously approved by the EDC Board on May 16, 2026, subject to City Commission approval).
- Agreement with ZacTax for financial services to the City of Starbase.

The City Administrator confirmed that all relevant attachments were included in the Commission’s meeting packets. Mayor Peden noted that the new temporary City Hall location is where the Commission is currently meeting and confirmed the designation is temporary pending construction of a permanent facility.

No Commissioner requested that any item be pulled from the Consent Agenda for separate discussion.

Motion: Commissioner Wallace moved to approve the Consent Agenda as presented.

Second: Commissioner Buss

Vote: 3–0. Motion passed unanimously.

F. REGULAR SESSION – PUBLIC HEARING

Item F.1 – Public Hearing: Amendment to the Official Zoning Map

Mayor Peden opened a public hearing on a request for an amendment to the Official Zoning Map by changing the district boundary. Mayor Peden stated that speakers were limited to three (3) minutes each and opened the public hearing at 7:13 p.m.

City Clerk Gretchen Norton confirmed that no speakers had signed up. Mayor Peden noted for the record that the Commission had previously reviewed this matter and that the rules for the public hearing are consistent with prior practice. He encouraged any citizens wishing to speak on future zoning matters to submit a speaker request card no later than five (5) minutes before the start of the meeting.

The public hearing was closed at 7:13 p.m.

City Administrator Polanco advised the Commission that no action would be taken on the zoning matter at this meeting because the required public notice had been published less than thirty (30) days prior. No action was taken.

G. EXECUTIVE SESSION

Mayor Peden recessed the City Commission into Executive Session (closed meeting) at 7:15 p.m. pursuant to Chapter 551 of the Texas Government Code to discuss the following:

- Section 551.074(a)(1): Deliberation regarding the appointment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee – specifically, the City Attorney.

The Executive Session was closed to the public.

H. RECONVENE INTO OPEN SESSION

Mayor Peden reconvened the City Commission into open session at 7:28 p.m. No action was announced as having been taken during Executive Session.

I. REGULAR SESSION

Item I.1 – City Attorney Agreement – Spencer Fane, LLP

City Administrator Polanco presented this item. Spencer Fane LLP submitted an engagement letter dated May 22, 2026, to serve as City Attorney. Caleb Rush will serve as the designated City Attorney. The agreement incorporates the firm’s standard terms of engagement. Representatives from Spencer Fane were in attendance and available for questions. No questions were posed by the Commission.

Motion: Commissioner Wallace moved to approve the agreement with Spencer Fane, LLP dated May 22, 2026 to provide City Attorney services and authorize the Mayor to execute the agreement and any necessary waiver on behalf of the City of Starbase.

Second: Commissioner Buss

Vote: 3–0. Motion passed unanimously.

Item I.2 – EDC Executive Director – Max Levin

City Administrator Polanco presented this item. On May 16, 2026, the EDC Board of Directors adopted Resolution No. 2026-04 appointing Max Levin as Executive Director of the Starbase Economic Development Corporation. Mr. Levin is a City employee who will perform EDC functions. Staff requested City Commission approval of the contracting arrangement, with authority granted to the City Administrator to finalize contract details with the EDC.

Mayor Peden expressed support for Mr. Levin’s appointment, noting his qualifications and the EDC Board’s unanimous vote in his favor.

Motion: Commissioner Buss moved to approve the Starbase Economic Development Corporation contracting with Max Levin as Executive Director and authorize the City Administrator to enter into a contract with the EDC to determine contract details.

Second: Commissioner Wallace

Vote: 3–0. Motion passed unanimously.

Item I.3 – Depository Banking Services Contract Award

City Administrator Polanco presented this item. The City issued a Request for Proposals for depository banking services. Two banks submitted responsive proposals: JP Morgan Chase and Lone Star National Bank. Upon initial scoring, the proposals were extremely close, differing by only two points. Staff proposed conducting final interviews and platform demonstrations with both banks to evaluate service capabilities before making a final award recommendation. Staff

requested that the Commission authorize the Mayor to award the contract to the most qualified respondent following those interviews.

Mayor Peden expressed confidence in the process and deferred to the City Administrator's recommendation given the staff's day-to-day engagement with the financial institutions.

Motion: Commissioner Wallace moved to authorize the Mayor to award the depository banking services contract to the most qualified respondent following interviews and platform demonstrations with JP Morgan Chase and Lone Star National Bank, and to direct the City Administrator to negotiate and execute the final contract documents on behalf of the City of Starbase.

Second: Commissioner Buss

Vote: 3-0. Motion passed unanimously.

Item I.4 – Beach Cleaning Services Contract (RFP 2026-02)

City Administrator Polanco presented this item. The City issued RFP 2026-02 for professional beach cleaning services at Boca Chica Beach, which includes cleaning the full length of the beach and maintaining the beach entrance. Due to a communication error, the proposal deadline was extended to May 29, 2026, which falls the day after this meeting. Staff recommended authorizing the Mayor to review the proposals and award the contract to the most qualified proposer. The City Administrator noted that the RFP includes performance metrics to gather data on trash sources, including post-storm events and potential river input from the Rio Grande.

Mayor Peden and Commissioner Buss both noted their recent beach visits and shared observations that much of the debris appeared to originate from storm activity and ocean sources rather than from beachgoers. Commissioner Buss expressed enthusiasm for the contract and its potential impact. Mayor Peden emphasized the importance of minimizing the time between contract award and commencement of beach cleaning services.

Motion: Commissioner Buss moved to authorize the Mayor to award the beach cleaning services contract under RFP 2026-02 to the most qualified proposer offering the best overall value to the City of Starbase, and to direct the City Administrator to execute the contract and related documents on behalf of the City.

Second: Commissioner Wallace

Vote: 3-0. Motion passed unanimously.

Item I.5 – Appointment to the Starbase Advisory Committee

City Administrator Polanco presented this item. The Starbase Advisory Committee consists of five members established by prior resolution. There is currently one vacancy on the Committee. Staff recommended appointing Bruce Applin to fill the vacancy for a two-year term.

Mayor Peden noted that Mr. Applin brings extensive qualifications and experience to the Committee, particularly in the area of public safety and security, which is an important priority for the City.

Motion: Commissioner Wallace moved to appoint Bruce Applin to the Starbase Advisory Committee for a two-year term.

Second: Commissioner Buss

Vote: 3–0. Motion passed unanimously.

Item I.6 – Resolution Authorizing Participation in LOGIC (Resolution No. 2026-17)

City Administrator Polanco presented this item. LOGIC (Local Government Investment Cooperative) is a cooperative investment pool created specifically for Texas cities, counties, and other local governments. It functions as a government money-market account, allowing the City to pool funds with other public entities in short-term, high-quality securities. LOGIC provides safety of principal, liquidity, and competitive returns in compliance with the City's Investment Policy and state law. Mika Owens from Hilltop Securities was available by phone to answer questions. Commissioner Wallace noted that the information provided in the meeting packet was helpful. No further questions were posed.

Motion: Commissioner Buss moved to approve the resolution authorizing participation in the Local Government Investment Cooperative (LOGIC); authorizing the execution of the Application for Participation and related documents; designating authorized representatives; and providing an effective date.

Second: Commissioner Wallace

Vote: 3–0. Motion passed unanimously.

Item I.7 – Resolution Authorizing Participation in TexSTAR (Resolution No. 2026-18)

City Administrator Polanco presented this item. TexSTAR (Texas Short Term Asset Reserve Program) is a cooperative investment pool for Texas local governments, similar in structure to LOGIC. It provides safety of principal, liquidity, and competitive returns in compliance with the City's Investment Policy. Mika Owens from Hilltop Securities was also available for questions on this item. The City Administrator noted that both LOGIC and TexSTAR were anticipated when the investment policy was drafted. Mayor Peden noted that given the City's lumpy, tax-dependent income cycle, it is prudent to have funds actively working. No questions were posed by the Commission.

Motion: Commissioner Wallace moved to approve the resolution authorizing participation in the Texas Short Term Asset Reserve Program (TexSTAR); approving the application for participation in the Cash Reserve Fund; designating authorized representatives; and providing an effective date.

Second: Commissioner Buss

Vote: 3–0. Motion passed unanimously.

Item I.8 – SpaceX Street Abandonment Petition (Ordinance No. 2026-13)

City Administrator Polanco presented this item. On May 13, 2026, SpaceX submitted a petition to abandon and vacate portions of Saint Jude Street, Ohio Avenue, Memes Street, and Esperson Street. The petition states that these portions are no longer necessary for public use, have limited or no current public traffic, and that abandonment will serve the best interests of the City by allowing enhanced security and improved property utilization. The City Administrator noted that SpaceX currently maintains these streets as the owner of most of the adjacent real property, and that there is no current public need for them. Any future closure of access would require full compliance with applicable permits and City regulations. Ordinance No. 2026-13 was prepared to formally abandon and vacate the rights-of-way and authorize conveyance to the abutting property owners.

Mayor Peden noted that this type of process had been undertaken previously by both the City and the county. Commissioner Buss confirmed that similar street actions had been taken before and emphasized the importance of preserving emergency access. The City Administrator confirmed that no changes affecting emergency access are contemplated by the ordinance.

Motion: Commissioner Buss moved to approve the ordinance abandoning and vacating certain portions of Saint Jude Street, Ohio Avenue, Memes Street, and Esperson Street and authorize the Mayor to execute a deed or other documents conveying the rights-of-way to the abutting property owners.

Second: Commissioner Wallace

Vote: 3–0. Motion passed unanimously.

J. COMMISSION / CITY ADMINISTRATOR COMMENTS

Item J.1 – Items of Community Interest

Pursuant to Texas Government Code Section 551.0415, the following items of community interest were shared:

- City Administrator Polanco wished a happy birthday to the City of Starbase, noting that the City's first anniversary falls the following day, May 29, 2026.
- Commissioner Wallace expressed gratitude to the volunteers and staff of Sea Turtle Inc. for their continued presence and conservation efforts on Boca Chica Beach.
- City Administrator Polanco congratulated SpaceX on a recent successful launch.
- City Clerk Gretchen Norton wished a happy birthday to City employee Keila Tuttle.

Item J.2 – City Administrator's Report

a. Financial Statement Report – April 2026

City Administrator Polanco reported that the City is in a healthy cash position with a current balance of approximately \$4.9 million. She noted two upcoming note payments: \$1.5 million due

in June and a second note payment due in September. The City is significantly under budget, in part due to ongoing law enforcement expenditures still in process. The City anticipates closing the fiscal year with a surplus.

b. Building Permit Report – April 2026

City Administrator Polanco reported that residential permitting and inspection volume remains the dominant activity. For April, 318 residential inspections were completed, of which 284 passed and 34 did not, for a pass rate of approximately 89%. For commercial inspections, 42 were completed. The overall commercial pass rate was approximately 70%, slightly below the typical rate of 85%; staff noted no specific issues of concern. The Administrator noted that inspection volumes are expected to continue to decline as activity in the pipeline decreases.

c. Police Department Update

City Administrator Polanco reported on the following Police Department activities:

- Active recruitment is the top priority. A revised job description was published following review of the prior applicant wave; a strong new wave of applicants is in early screening stages.
- TCOLE application: The Texas Commission on Law Enforcement recently changed its application process, and the City is being used as a model agency for the new process. The application has been submitted and is under review.
- Communications, radio systems, and the Mark 43 records management system are all moving forward. City employee Keila Tuttle is serving as project manager.
- Physical setup of the Police Department space is in progress at the Hub facility; setup is expected to be complete by the next Commission meeting on June 17.
- Equipment procurement for TCOLE accreditation is underway with GT Distributors.
- Lexipol policy development is ongoing.

The City Administrator stated the goal is to have the Police Department operational by July, pending selection of a Police Chief. Mayor Peden expressed the Commission's support for the process and the importance of selecting the right person to set the tone for the agency.

d. Boca Chica Beach Update

City Administrator Polanco reported that a Boca Chica Beach Dune Restoration Feasibility Study kickoff meeting was held on Tuesday, May 26, 2026, with stakeholders including representatives from the Texas General Land Office (GLO), Texas Parks and Wildlife, U.S. Fish and Wildlife Service, Sea Turtle Inc., and TxDOT. The contracting firm, Halff, presented the project details and went through future mitigation options and timeline. The group conducted an on-site visit.

Additionally, a second GLO team visited on the day of the meeting to review the latest permitted areas and confirm compliance. The City Administrator noted that enforcement of parking regulations near the dunes is pending the arrival of the Police Department.

The City Administrator also reiterated the pending beach cleaning contract award, expressing hope that the next meeting would see a contract in place.

e. 2027 Budget Calendar

City Administrator Polanco presented the 2027 budget planning calendar. The City must adopt the budget by September 30, 2026; the fiscal year begins in November. The official appraisal tax values from Cameron County are expected on July 25, 2026, which will provide the final

revenue figure needed to finalize and hold public hearings on the proposed budget. The City Administrator expressed confidence in the timeline and noted the City is tracking well.

Additional Discussion – Library Update

At the request of Commissioner Buss, City Administrator Polanco and Commissioner Wallace provided an update on the Starbase Library. The City has transferred library funding in two installments: \$80,000 now with an additional installment in September. Commissioner Wallace reported that interviews for a part-time staff position are being held this week, supported by City funding. Volunteer efforts continue, and plans are underway to support a summer reading program even prior to the permanent facility being completed. The City Administrator noted that community projects, including the library, will be included as a budget line item for the next fiscal year.

SUMMARY OF ACTIONS TAKEN

Item	Description	Vote
D.1	Administration of Oaths of Office, Statements of Officers, and Certificates of Election	3-0 Unanimous
D.2	Appointment of Jordan Buss as Mayor Pro Tempore (Resolution No. 2026-14)	3-0 Unanimous
E	Consent Agenda (Minutes, meeting location resolution, holiday schedule, Mark 43 contract, EDC bylaws, EDC legal counsel, ZacTax agreement)	3-0 Unanimous
F.1	Public Hearing on Zoning Map Amendment – No Action Taken (Notice insufficient)	N/A
I.1	Agreement with Spencer Fane, LLC for City Attorney services	3-0 Unanimous
I.2	EDC contracting with Max Levin as Executive Director	3-0 Unanimous
I.3	Authorization for Mayor to award depository banking contract following interviews	3-0 Unanimous
I.4	Authorization for Mayor to award beach cleaning contract under RFP 2026-02	3-0 Unanimous
I.5	Appointment of Bruce Applin to Starbase Advisory Committee	3-0 Unanimous
I.6	Resolution authorizing participation in LOGIC (Resolution No. 2026-17)	3-0 Unanimous
I.7	Resolution authorizing participation in TexSTAR (Resolution No. 2026-18)	3-0 Unanimous

1.8	Ordinance abandoning and vacating street portions per SpaceX petition (Ordinance No. 2026-13)	3-0 Unanimous
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K. ADJOURNMENT

There being no further business to come before the Commission, Mayor Peden made a motion to adjourn. The motion was seconded by Commissioner Buss. The motion passed unanimously. The meeting was adjourned at 7:59 p.m.

Respectfully submitted,

Gretchen Norton, City Clerk
City of Starbase

Approved by the City Commission on: _____



STARBASE ECONOMIC DEVELOPMENT CORPORATION

REGULATIONS FOR RECEIVING AND APPROVING APPLICATIONS FOR BOND FINANCING

SECTION 1. DEFINITIONS

As used in these Regulations, the following terms have the meanings assigned below unless the context clearly indicates otherwise:

Act: Chapters 501–505, Texas Local Government Code.

Application Fee: The non-refundable fee of \$25,000 payable upon submission of an Application.

Board: The Board of Directors of the Corporation.

Bonds: Revenue bonds, notes, or other obligations issued by the Corporation under the Act to finance a Project.

Corporation: Starbase Economic Development Corporation.

Project: Land, buildings, equipment, facilities, expenditures, infrastructure, and improvements constituting an authorized project under the Act, located wholly or partially within the Unit or Texas.

Unit: The City of Starbase, Texas.

User: The person, firm, partnership, corporation, or affiliate that applies for and will utilize Bond proceeds for a Project (also referred to as “Applicant” or “Borrower”).

SECTION 2. ELIGIBILITY CRITERIA

The Corporation will consider Bond financing only for Projects that satisfy all the following:

- (a) The Project is authorized under and otherwise meets all criteria required by the Act.
- (b) To the extent required by the Act, the Project will create or retain primary jobs paying competitive wages and will contribute to the diversification of the regional economy or expansion of the tax base.
- (c) The User agrees that the Bonds shall be limited obligations of the Corporation, payable solely from payments made by the User or revenues derived from the Project, and that neither the Corporation, the Unit, nor the State of Texas shall have any obligation to pay the Bonds from any other source or to pledge any taxing power or general revenues.
- (d) The User will execute all required performance agreements, loan, lease, or installment sale agreements, provide security acceptable to the Board and Bond Counsel, and indemnify the Corporation, Board, Unit, and their officers, directors, employees, and agents against all liabilities arising from the issuance of the Bonds or operation of the Project.
- (e) The User is an established, valid corporate entity and is financially sound, as determined by the Board in consultation with its counsel and municipal advisor.
- (f) The User has submitted a complete Application, including any application fees, in the manner prescribed by the Board.

SECTION 3. APPLICATION PROCEDURES

(a) **Submission.** A User shall submit a completed Application (in the form attached hereto) together with the \$25,000 non-refundable Application Fee made payable to the Corporation. Incomplete applications will not be processed.

(b) Preliminary Review. The Board (or its designee) shall review the Application for completeness, eligibility under Section 2, apparent public benefit, and alignment with the Corporation's public purpose. The Board may request supplemental information, including but not limited to a credit analysis, project information and pro forma financial projections, financial information regarding the User, or an independent engineer's report. If the Board declines to advance an Application after preliminary review, it shall inform the User of its determination.

(c) Inducement Resolution. If the Board, in consultation with its counsel and municipal advisor, determines that there is a reasonable expectation that the Project qualifies and will receive final approval, the Board shall adopt an Inducement Resolution (including reimbursement intent for costs incurred not more than 60 days prior to adoption, authorization for public hearings under IRC §147(f), and findings of public purpose). The User may proceed with acquisition and construction at its own risk and expense pending final approval.

(d) Final Approval. The User shall (i) determine if Borrower Counsel or Bond Counsel (or some combination of both) will prepare the financing documents and (ii) inform the Corporation of its determination. Upon completion of financing documents satisfactory to Bond Counsel, the Corporation's Legal Counsel and Borrower Counsel, receipt of Unit approval, any required volume cap allocation, and satisfaction of all conditions, the Board shall consider final approval and authorization to close the Bonds.

(e) Abandonment. If the User fails to make substantial progress toward closing within thirty-six (36) months after adoption of the Inducement Resolution, the Board may, in its sole discretion, rescind the Inducement Resolution.

SECTION 4. FEES AND COST RECOVERY

(a) Application Fee. \$25,000 non-refundable, due upon submission.

(b) Closing Fee. 0.25% (minimum \$250,000) of the aggregate principal amount of Bonds issued, payable at closing, or such other amount as mutually determined by the Corporation and the User before issuance of the Bonds.

(c) Pass-Through Costs. The User shall pay or reimburse all costs of issuance, including the fees, costs and expenses of Bond Counsel, the Corporation's Legal Counsel, any other legal counsel engaged by the Corporation in connection with the Project (including, but not limited to, disclosure counsel or special tax counsel, if any), Financial Advisor (if any), Trustee, rating agencies, title insurance, printing, filing fees, and any other third-party expenses, whether or not the Bonds close.

(d) Post-Issuance Fees. \$1,000 plus actual counsel fees for any amendment, consent, waiver, or other post-issuance action.

(e) Annual Fee. If the Board determines the Corporation has insufficient funds to cover ongoing administrative expenses attributable to outstanding Bonds, the User shall pay its pro rata share (based on outstanding principal of all bonds issued by the Corporation) of such deficiency. The Board may establish a flat annual administrative fee of 0.05% of original par amount, or such other amount as mutually determined by the Corporation and the User.

SECTION 5. REQUIRED DISCLOSURES AND POLICIES

Any official statement, prospectus, or offering memorandum used in connection with the Bonds shall contain prominent disclosure substantially to the effect that: (i) the Corporation and Unit have not undertaken to review or assume responsibility for matters contained therein except as to description of the Bonds and the Corporation/Unit; (ii) neither the Unit nor the Corporation endorses, guarantees, or warrants the creditworthiness of the User or the investment quality of the Bonds; and (iii) the Bonds are payable solely from User/Project funds and are not obligations of the Corporation, Unit, or State.

The Board may require a financial report and credit analysis addressed to the Board. No User shall represent that the Corporation is committed to issue Bonds until final approval under these Regulations and all required governmental approvals have been obtained.

SECTION 6. FINAL APPROVAL AND CLOSING

Final approval shall be granted only upon affirmative determination by the Board that all requirements of these Regulations have been satisfied, the Project constitutes a qualified project under the Act, and the financing promotes the public purposes of the Corporation and Unit. After final approval, the Corporation shall seek Unit approval (if not previously obtained) and proceed to closing upon receipt and satisfaction of all closing requirements and legal opinions.

SECTION 7. AMENDMENTS AND WAIVERS

The Board reserves the right to amend these Regulations (effective for applications filed after the amendment date) or to waive any provision upon written request stating the reasons therefor.

FOR MORE INFORMATION OR TO SUBMIT AN APPLICATION:

Starbase Economic Development Corporation

Attention:

Max Levin, Executive Director, Starbase Economic Development Corporation

39046 L B J Blvd. Unit 02, Starbase, TX 78521

(956) 865-0298

Max.Levin@starbase.texas.gov

S T A R B A S E

CITY COMMISSION AGENDA MEMO

TO: Mayor and City Commission

FROM: City Administrator

MEETING DATE: June 3, 2026

ITEM: E.1

SUMMARY: The City Commission is requested to approve an ordinance authorizing the operation of Unique Vehicles — including off-highway vehicles (ATVs, ROVs, and UTVs), golf carts, and Neighborhood Electric Vehicles (NEVs) — on certain public streets within the corporate boundaries of the City of Starbase.

BACKGROUND: This ordinance establishes the legal framework for Unique Vehicles to operate on City streets with posted speed limits of 35 mph or less (or 45 mph for NEVs where permitted by state law). It sets definitions for each vehicle type, outlines operational requirements for drivers, and specifies minimum equipment standards that vehicles must meet.

STAFF RECOMMENDATIONS It is recommended that the City Commission approve the ordinance as presented.

MOTION: “I move to approve Ordinance No. 2026-16, as presented.”

ATTACHMENTS

- Ordinance No. 2026-16

**CITY OF STARBASE, TEXAS
ORDINANCE NO. 2026-16**

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF STARBASE, TEXAS, AUTHORIZING THE OPERATION OF UNIQUE VEHICLES, INCLUDING OFF-HIGHWAY VEHICLES (ATVs, ROVs, AND UTVs), GOLF CARTS, AND NEIGHBORHOOD ELECTRIC VEHICLES (NEVs), ON CERTAIN PUBLIC STREETS WITHIN THE CORPORATE BOUNDARIES OF THE CITY; ESTABLISHING DEFINITIONS, OPERATIONAL REQUIREMENTS, EQUIPMENT STANDARDS, AND SAFETY CONDITIONS; PROVIDING FOR PENALTIES; PROVIDING SAVINGS, REPEALING, AND SEVERABILITY CLAUSES; PROVIDING AN EFFECTIVE DATE; AND FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE WAS PASSED WAS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City of Starbase, Texas (the "City") is a Type C General Law municipality under the laws of the State of Texas; and

WHEREAS, the Texas Transportation Code authorizes the City to regulate traffic and the use of public streets within its corporate limits; and

WHEREAS, the City Commission finds that authorizing the operation of unique vehicles on certain City streets with a posted speed limit of not more than 35 miles per hour (or 45 mph for NEVs where permitted by state law), subject to appropriate safety conditions, serves the public interest and is consistent with state law; and

WHEREAS, the City Commission finds and determines that the meeting at which this Ordinance was passed was open to the public as required by law;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF STARBASE, TEXAS:

SECTION 1. Incorporation of Premises. The premises set forth above are incorporated herein as if set forth verbatim.

SECTION 2. Definitions. For purposes of this Ordinance, the following definitions shall apply:

- (a) "All-terrain vehicle" or "ATV" means a motor vehicle as defined by Section 551A.001 of the Texas Transportation Code.
- (b) "Golf cart" means a motor vehicle as defined by Section 551.401 of the Texas Transportation Code, designed primarily for use on a golf course (excluding modified or high-speed variants).
- (c) "Highway or street" means the width between the boundary lines of a publicly maintained way any part of which is open to the public for vehicular travel, as defined by Section 541.302(5) of the Texas Transportation Code.

(d) "Neighborhood Electric Vehicle" or "NEV" means a vehicle as defined by Section 551.301 of the Texas Transportation Code that meets Federal Motor Vehicle Safety Standard 500.

(e) "Off-highway vehicle" or "OHV" means any ATV, recreational off-highway vehicle (ROV), utility vehicle (UTV), or sand rail as defined by Section 551A.001 of the Texas Transportation Code.

(f) "Unique Vehicle" means collectively any OHV, golf cart, or NEV as defined herein.

(g) "Utility vehicle" or "UTV" and "Recreational off-highway vehicle" or "ROV" have the meanings assigned in Section 551A.001 of the Texas Transportation Code.

SECTION 3. Authorization. Pursuant to the Texas Transportation Code §§ 551.404 and 551A.053, the operation of Unique Vehicles is authorized on all Highways within the corporate boundaries of the City that have a posted speed limit of not more than 35 miles per hour (or 45 mph for NEVs as permitted by state law), subject to the conditions set forth herein.

SECTION 4. General Operational Requirements. All operators of Unique Vehicles operating within the City shall:

(a) Possess a valid driver's license.

(b) Be at least 16 years of age (unless permitted to operate the Unique Vehicle and properly supervised in accordance with State law).

(c) Comply with all posted speed limits and traffic laws.

(d) Operate only during daylight hours unless the vehicle is equipped with functioning headlamps and taillamps.

(e) Not operate on sidewalks, pedestrian paths, pedestrian trails, parks, or other non-designated areas.

(f) Maintain required insurance and display appropriate license plates.

(g) Comply with all other applicable County, State, and Federal laws.

SECTION 5. Equipment Requirements. Unique vehicles shall be equipped with:

(a) Functioning headlamps and taillamps;

(b) Adequate brakes and parking brakes;

(c) At least one rearview mirror;

(d) A properly functioning muffler (if internal combustion);

(e) Reflectors and slow-moving vehicle emblem as required by state law; and

(f) Required safety equipment for operators and passengers of OHVs (helmets, eye protection, seatbelts where installed).

SECTION 6. Prohibitions. It is unlawful to:

(a) Operate on interstate or limited-access highways;

(b) Operate while under the influence of alcohol or controlled substances;

(c) Operate in a reckless manner;

(d) Carry more passengers than the manufacturer's design; or

(e) Operate on streets exceeding the speed limits authorized herein.

SECTION 7. Penalty. Any violation of this Ordinance shall be punishable by a fine of not less than \$1.00 nor more than \$500.00 per violation. Each day a violation continues constitutes a separate offense.

SECTION 8. Prohibition of Operation in Certain Areas. Pursuant to Texas Transportation Code §§ 551.4031, 551.303, and 551A.054, the City Administrator may propose to the Commission certain areas where the operation of Unique Vehicles is prohibited and, if the Commission finds such prohibitions necessary in the interest of safety, may prohibit operation of Unique Vehicles in those areas by posting signs sufficient to provide notice of the prohibition to Unique Vehicle operators.

SECTION 9. Severability. The provisions of this Ordinance are severable. If any part is declared unconstitutional, the remaining provisions shall remain in full force and effect.

SECTION 10. Repealer. This Ordinance is cumulative of other City ordinances and repeals only conflicting provisions.

SECTION 11. Engrossment/Enrollment. The City Clerk is directed to enroll and engross this Ordinance and file it in the Ordinance Records of the City.

SECTION 12. Effective Date. This Ordinance shall become effective upon its passage.

PASSED AND APPROVED BY THE CITY COMMISSION OF THE CITY OF STARBASE, TEXAS
on this ____ day of _____, 2026.

CITY OF STARBASE, TEXAS

Bobby Peden, Mayor

ATTEST:

Gretchen Norton, City Clerk

APPROVED AS TO FORM:

Caleb Rush, City Attorney

39046 LBJ BLVD #02
Starbase, TX 78521

AGENDA ITEM NOTICE

TO:

Mayor and City Commission

FROM:

Gretchen Norton, City Clerk

MEETING DATE:

June 3, 2026

ITEM:

E.2 — Ordinance No. 2026-17: Zoning Map Amendment — Mixed Use to Heavy Industrial

NOTICE OF TABLED ITEM

This item appears on the June 3, 2026 agenda in error. It was intended to be placed on the June 17, 2026 City Commission meeting agenda and was not removed from tonight's agenda when that decision was made. This was an administrative oversight.

No public hearing will be conducted and no action will be taken on this item at the June 3, 2026 meeting. Ordinance No. 2026-17, amending the Official Zoning Map of the City of Starbase by rezoning approximately 33.93 acres generally located west of Kingstone Avenue on State Highway 4 from the Mixed-Use District to the Heavy Industrial District, will be properly placed on the June 17, 2026 City Commission meeting agenda.

We apologize for any inconvenience this may have caused.

Gretchen Norton
City Clerk
City of Starbase