

City of Starbase
City Commission Special Meeting Minutes
Monday, April 20, 2026
City Hall – Starbase, Texas
Meeting Called to Order at 7:00 PM

Present

- Mayor Peden
- Commissioner Buss
- Commissioner Wallace

Quorum: Established

Other staff in attendance:

- Kent Myers, City Administrator
- Cayetana Polanco, Assistant City Administrator
- Gretchen Norton, City Clerk
- Marie Johnson, City Attorney (via Teams)
- Anthony Mills, TMRS (via Teams)

A. Call to Order and Quorum Determination Mayor Peden called the meeting to order at 7:00 PM and confirmed that a quorum was present.

B. The Pledge of Allegiance was recited.

C. Public Comment (Non-Public Hearing Agenda Items) Public comments were limited to two minutes per speaker on listed agenda items only. Mayor Peden reminded the public of the procedures: comments may only be made on listed agenda items; the Commission is prohibited from acting or discussing items during public comment. Rules for public comment are found at the beginning of the agenda and available on the City’s website.

City Clerk Gretchen Norton noted two speakers signed up.

- **Anthony Gomez**, Starbase, TX – Spoke in support of the City and commended the City of Starbase and Cameron County for organizing a really great beach cleanup. He noted it was wonderful to see future leaders of the community, many council members, and residents participating, and expressed hope that such events happen more often. He described it as a really good community event and thanked the City.

- **David Avery** (also referred to as Dave Avery), Denver, CO (frequent visitor to the area) – Followed up on Anthony Gomez’s comments. He stated that beach cleanups are important and that people who complain about what has been happening at Boca Chica for the last five years obviously do not know what it was like beforehand. He noted that 90% of the trash comes up the Gulf and has nothing to do with the users of the beach. He expressed appreciation for everyone coming out to clean.

City Clerk Gretchen Norton confirmed that was the last speaker. Mayor Peden closed public comment.

D. The Commission recessed into Executive Session (Item D) at 7:04 PM in accordance with Texas Government Code §551.074 to discuss the appointment, employment, evaluation, reassignment of duties, discipline, or dismissal of public officers or employees, including job descriptions and salaries for the City Administrator, City Clerk/Data Governance and Project Manager Lead, Executive Director of the EDC, and Police Chief; and §551.071 for consultation with the City Attorney regarding the Attorney General ruling on Public Information Request No. 2025-135.

E. Mayor Peden reconvened the meeting into open session at 7:27 PM. As a matter of procedure, he noted that the Commission is now operating with paperless agenda packets. He acknowledged that there is a lot of information and asked for patience as the process becomes more efficient in the future. He requested that all staff and Commissioners close email and messaging services and remain fully present.

F. Consent Agenda The following items were considered together: a. Approval of City Commission meeting minutes for March 18, 2026. b. Implementation of the payroll company Paylocity. c. Approval of a resolution adopting the City investment policy (establishing prudent guidelines for safe and liquid investment of City funds in compliance with the Texas Public Funds Investment Act; modeled after best practices of other Texas cities, worked on closely with Hilltop Securities, and recommended by the City’s auditor; note on minor formatting error in PDF title). d. Approval of the consulting agreement with Clear Career for Kent Myers to provide temporary administrative advice, guidance, and support during the City’s transition to full-time staff. e. Final plat approval of the proposed Huddlestone subdivision (a 53.06-acre tract situated in Share 3, San Martin Grant, Jose Ygnacio de Trevino Survey, Starbase, Cameron County, Texas; met all engineer requirements).

Assistant City Administrator Cayetana Polanco presented the Consent Agenda and recommended approval as presented.

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

Second: Commissioner Buss

Vote: For: 3 Against: 0 **Motion carried unanimously.**

H. Regular Session

1. Discussion and Action on Appointing City Administrator City Administrator Kent Myers provided a detailed presentation. He reflected on the past 11 months since the City's incorporation in May 2025, noting the solid foundation built through key ordinances, policies, procedures, and a strong team of Commissioners, SpaceX officials on the advisory committee, and contract employees. He thanked the Commissioners for hiring him as the first City Administrator and for their trust and support. He expressed appreciation for the Commission's and SpaceX's dedication to the mission of exploring space and eventually reaching Mars, acknowledging the hard work and long hours of the Commissioners and their families. He announced his intention to step down but noted he would continue providing support on a consulting basis as just approved in the Consent Agenda. He cited personal reasons (more time with his five grandchildren) and the need for a locally based administrator to handle new programs including the Police Department, annexation efforts, the community library, beach cleanups, and increased resident engagement. He highlighted Cayetana Polanco's rapid learning, contributions to efficiencies, and readiness to take on the role. He recommended approval of Cayetana Polanco as the new City Administrator.

Mayor Peden thanked Kent Myers for his kind words. Commissioners Wallace and Buss expressed gratitude to Kent Myers for his leadership and excitement about continuing to work with Cayetana Polanco.

Motion: Commissioner Buss moved to approve Cayetana Polanco as the City Administrator, effective April 21, 2026. **Second:** Commissioner Wallace

Vote: For: 3 Against: 0 **Motion carried unanimously.** Mayor Peden welcomed Cayetana Polanco aboard.

2. Discussion and Action on Converting Designated Contract Positions to Full-Time City Employees Assistant City Administrator Cayetana Polanco presented the resolution adopting a market-based pay schedule for key positions and converting designated contract positions to permanent full-time City employee status. This milestone supports building a stable, professional, sustainable municipal workforce as the City transitions

from temporary consulting arrangements. Attachments included the resolution and job descriptions for the City Administrator, City Clerk, Data Governance/Project Manager Lead, and EDC Executive Director. She introduced Keila Tuttle, the recommended data governance and project manager.

Motion: Commissioner Wallace moved to approve Resolution #2026-13 adopting the pay schedule for City employees and converting designated contract positions to full-time City employee status and to approve the job descriptions as presented.

Second: Commissioner Buss

Vote: For: 3 Against: 0 **Motion carried unanimously.**

3. Discussion and Action Regarding the Attorney General Ruling on Public Information Request Number 2025-135 Assistant City Administrator Cayetana Polanco explained that the City received the formal ruling from the Office of the Attorney General concerning Public Information Request 2025-135 under the Texas Public Information Act (Chapter 552, Texas Government Code). The item was placed on the agenda following discussion in Executive Session so the Commission could review the ruling and determine the appropriate course of action.

Motion: Commissioner Buss moved to authorize the lawsuit against the Attorney General for Letter Ruling OR 2026-011030 for Public Information Request 2025-135 received by the City of Starbase.

Second: Commissioner Wallace

Vote: For: 3 Against: 0 **Motion carried unanimously.**

4. Discussion and Action to Approve a Resolution Establishing City Personnel Policies by Adopting the City of Starbase Employee Policy Manual Assistant City Administrator Cayetana Polanco presented the comprehensive employee policy manual, developed following best practices for other municipalities. It will work in tandem with the law enforcement policy manual and is instrumental for payroll and benefits processing. She noted it had undergone legal review. Mayor Peden and staff discussed the document as a living document that will evolve with the City's transition to full-time employees; some policies will stand the test of time while others may be adjusted. City Administrator Kent Myers confirmed legal review.

Motion: Commissioner Wallace moved to approve Resolution 2026-11 establishing City personnel policies by adopting the City of Starbase Employee Policy Manual as the official

City personnel policies and authorizing the City Administrator to implement, review, and enforce the policies contained therein.

Second: Commissioner Buss

Vote: For: 3 Against: 0 **Motion carried unanimously.**

5. Ordinance for City of Starbase Participation in the Texas Municipal Retirement System (TMRS) and Its Supplemental Death Benefits Fund

Assistant City Administrator Cayetana Polanco explained that, as the City transitions contract positions to full-time employees, it is necessary to provide standard retirement benefits. The ordinance allows the City to join TMRS, sets employee contribution rates, authorizes actuarially determined City contributions, and includes participation in the Supplemental Death Benefits Fund. TMRS is the retirement plan standard for Texas cities; the City selected a competitive 2:1 match plan.

Anthony Mills, TMRS representative (on the call), addressed the Commission on behalf of the TMRS Board of Trustees and staff. He stated that, if adopted, the City would become TMRS's 946th participating city and begin participation on June 1, 2026. He described TMRS as the "gold star" of retirement plans in Texas, the plan most peer cities participate in and one that non-participating cities seek to emulate.

Motion: Commissioner Buss moved to approve Ordinance 2026-14 providing for the City's participation in the Texas Municipal Retirement System and its Supplemental Death Benefits Fund as presented.

Second: Commissioner Wallace

Vote: For: 3 Against: 0 **Motion carried unanimously.**

6. Discussion and Action on a Library Services Agreement

Assistant City Administrator Cayetana Polanco presented the library services agreement with the Starbase Community Library (an independent nonprofit). The agreement establishes a clear partnership while preserving the library's autonomy. The library will provide public library services including physical access, on-site material use, reference services, and programs, and will make good-faith efforts to achieve and maintain TSLAC accreditation. The City will pay an annual service fee of \$160,000 (for the initial partial fiscal year up to September 30, paid in two installments of \$80,000 each; recurring annual amount to be renegotiated during budget process). The library retains ownership of its collection, may seek supplemental donations and grants, and will provide annual and monthly financial reports. Initial term is five years with automatic one-year renewals; terminable by either party with 120 days' written notice.

She noted this community-led project builds on the February special meeting presentation and is a milestone for the City.

Mayor Peden recognized the significant volunteer hours invested and stated that the project will generate more work but provide outsized community benefit.

Motion: Commissioner Wallace moved to approve the library services agreement between the City of Starbase and the Starbase Community Library as presented and to authorize the Mayor to execute the agreement on behalf of the City.

Second: Commissioner Buss

Vote: For: 3 Against: 0 **Motion carried unanimously.**

7. Ordinance Amending the Fiscal Year 2025-2026 Budget to Appropriate Funds for the

Nonprofit Starbase Community Library Assistant City Administrator Cayetana Polanco explained that this ordinance transfers \$160,000 from the law enforcement contract budget line item in the General Fund to contractual services – library services to fund the agreement. The reallocation is feasible because police startup occurred later than originally anticipated.

Mayor Peden noted that the funds were originally earmarked for community benefit and the library is a community benefit.

Motion: Commissioner Buss moved to approve Ordinance #2026-15 amending the Fiscal Year 2025-2026 budget by decreasing the law enforcement contract budget line item by \$160,000 and increasing the General Fund’s contractual services – library services by \$160,000 for payment to the Starbase Community Library.

Second: Commissioner Wallace

Vote: For: 3 Against: 0 **Motion carried unanimously.**

8. Discussion and Action on a Resolution Approving the Creation of a Type B Economic

Development Corporation Assistant City Administrator Cayetana Polanco, supported by City Administrator Kent Myers, presented the resolution. Under Texas Local Government Code Chapters 501, 502, and 505, the City may create a Type B EDC as a separate nonprofit entity to carry out economic development projects, including issuing bonds for industrial facilities, business recruitment, job creation, and infrastructure. The structure provides low-cost financing tools while maintaining separation from City operations. The City received a written application from three qualified voters. The resolution authorizes the organizers to proceed and approves the certificate of formation. Kent Myers added that the EDC will not create a significant cost burden on the City (legal and administrative costs

can be financed through future bond issuance; temporary costs estimated at 10-12 months until bonds are issued). Mayor Peden and staff discussed how the EDC will generate additional revenue streams beyond property taxes and support overall economic growth.

Motion: Commissioner Wallace moved to approve Resolution #2026-12 authorizing the creation of the Starbase Economic Development Corporation, a Type B Economic Development Corporation, and approving the proposed certificate of formation.

Second: Commissioner Buss

Vote: For: 3 Against: 0 **Motion carried unanimously.**

I. Commission/City Administrator Comments

1. Items of Community Interest (Texas Government Code §551.0415) Mayor Peden reported: • Thanks to Mr. Kent Myers for his extraordinary work getting the City off the ground; the Commission could not have done it without him. • Special thanks to the Starbase Community Library Committee for their volunteer hours—this is a major milestone for the entire community. • Brief update on the recent beach cleanup: over 585 volunteers (likely an undercount of those who signed in; significant increase from approximately 380 last year); 5,740 pounds of trash delivered to the landfill (significant increase from 1,500 pounds last year). He highlighted the strong collaboration among the City of Starbase, SpaceX, the General Land Office Adopt-a-Beach program, and Cameron County, and noted many residents, SpaceX employees, local businesses, and schools participated.

Commissioner Wallace expressed that the community's hearts and prayers are with a local family whose child recently faced a medical emergency and thanked the Starbase Medical team for their support.

No other reports were made.

2. City Administrator Report Assistant City Administrator Cayetana Polanco (with input from City Administrator Kent Myers and City Clerk Gretchen Norton) provided updates on the following:

- **Financial Statements (March 2026)** – Tracking well overall; two note repayments coming due in June (\$1.5 million) and September (approximately \$1 million), after which the fund balance will stabilize positively by fiscal year-end.

- **Building Permit Report** – Changes coming to provide fuller picture of permit activity and processing times in coordination with SafeBuilt.

- **Mid-Year Budget Update** – Highlighted three new major expense areas not in the original budget (legal fees projected at \$561,000 vs. budgeted \$276,000; beach maintenance; library services; EDC at approximately \$120,000). Beach maintenance allocation will support at least two cleanings per month (RFQ required as costs exceed \$100,000 per purchasing policy). Police Department startup funds provide a reallocation buffer. Comprehensive budget development for the next fiscal year begins in May; formal budget amendment later in the year. Mayor Peden noted the notes were the only initial funding mechanism available and represent a one-time transition item.

- **Police Department Update** – Hiring for Police Chief remains a top priority (three qualified candidates scheduled for third-stage interviews; possible special City Commission meeting in early May including a meet-the-residents event). Facilities are built out; RMS software agreement in process; police vehicles progressing; uniform demos upcoming. On track for full readiness and TCOLE accreditation by June or July.

- **GLO and Beach Maintenance** – Erosion mitigation project progressing (formal agreement and Halff scope nearing completion; site visit with GLO staff scheduled). Beach entrance improvements planned to address soft sand and parking/safety issues in coordination with GLO, Cameron County, TxDOT, and Halff engineers. Bimonthly beach cleanings coordinated with Turtle, Inc., GLO, and the County to maintain the beach following volunteer events.

City Clerk Gretchen Norton provided the election update: the May 2, 2026 general election was canceled as only the three incumbents filed; canvassing and swearing-in scheduled for May 5–13, 2026 timeframe. The City will host Cameron County elections in the building May 18–22, 2026, and likely future elections.

Municipal Court update: still seeking a municipal judge; focus will shift there once the Police Chief is hired. Mayor Peden noted the importance of having both a Police Department and Court.

3. Future Agenda Item Requests No future agenda items were requested.

J. Adjournment Motion: Mayor Peden moved to adjourn.

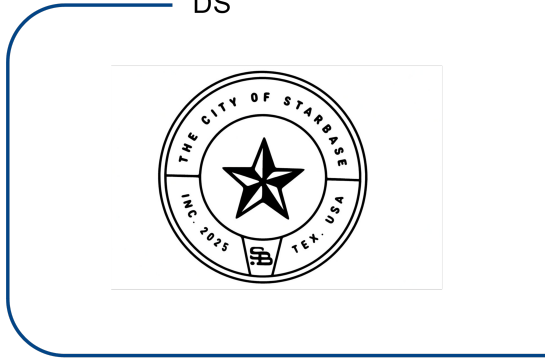
Second: Commissioner Buss

Vote: For: 3 Against: 0 **Motion carried unanimously.**

Meeting adjourned at 8:16 PM.


Approved by the City Commission on this ____ day of May, 2026.

DS



APPROVED:

Signed by:



7BB380E2C1EE4A7...

Signed by: Bobby Peden, Mayor

ATTEST:

Signed by:



DAD49BF2123C4F3...

Signed by: Gretchen Norton, City Clerk