NOTICE OF CITY COMMISSION REGULAR MEETING

September 4, 2026 |
48491 State Highway 4
Starbase, TX 78521

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.*

City Commission Regular Meeting Agenda

September 4, 2026 |

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 City Commission meetings held on August 19, 2026.**

   Approval of the official minutes of the Commission's August 19, 2026 meeting. Approving the minutes confirms them as the accurate public record of that meeting.

2. **Ratification of EDC's action on the engagement of Municipal Advisor for the Starbase EDC.**

   The Starbase EDC has engaged Hilltop Securities Inc. as its municipal advisor to help the EDC plan and carry out bond financings. Because the agreement commits EDC funds, the EDC's bylaws require the City Commission to authorize it; this item formally ratifies the EDC Board's action.

3. **Ratification of EDC's action on an independent contractor agreement with Fast Break Global LLC for Executive Director services of Max Levin.**

   The EDC has entered into an independent contractor agreement with Fast Break Global LLC for the services of Max Levin as the EDC's Executive Director, who manages the EDC's day-to-day operations. Because the agreement commits EDC funds, the EDC's bylaws require City Commission authorization; this item ratifies the EDC Board's action.

E. Public Hearing

1. **Conduct a second public hearing on the proposed annexation of approximately 7,133 acres, identified as the area to be annexed into the city limits including rights of way.**

   The second of the required public hearings on the proposed annexation of approximately 7,133 acres, including rights of way. The third and final hearing is set for September 21, 2026. This is a hearing only; no action is taken tonight on the annexation itself.

2. **Conduct a public hearing on the tax rate proposed by the City Commission on August 19, 2026.**

   The required public hearing on the tax rate the Commission proposed on August 19, 2026. This hearing must be held before the Commission adopts the tax rate later in the meeting (Item F.2).

F. Regular Session

1. **Discussion and action on appointing an EDC board member.**

   Recently, one of the EDC board members submitted a letter of resignation. As a result, the EDC needs to find a new board member. The proposed board member is Haley Ruvalcaba, an active member of the Starbase community. As a reminder, directors help set the EDC's priorities and oversee its economic-development work; day-to-day operations are handled by the Executive Director.

2. **Discussion and action on an ordinance levying taxes and adopting the tax rate on all taxable property for the year 2026-27 at the rate of $0.8000 per one-hundred dollars ($100.00) assessed value on all taxable property within corporate limits of the City of Starbase.**

   This rate is below the voter-approval rate of $0.803732, so no election is required. It is above the no-new-revenue rate of $0.775093, which is why the public hearing (Item E.2) is required and why the adoption must be taken by a separate record vote from the budget vote held on August 19, 2026.

3. **Discussion and action on an administrative services agreement between the Starbase EDC and the City of Starbase**

   The agreement details the administrative services and office space that the City provides the EDC, and the EDC's payment to the City for that support (staff time, office space, and shared facilities). The fee is set at roughly 35% of the cost of the City personnel who support the EDC, plus an allocation for office space. It is a flat annual fee of $400,000, paid in quarterly installments of $100,000, plus a one-time payment of $161,096 for services already provided from the EDC's formation (May 7, 2026) through September 30, 2026. The initial term runs through September 30, 2027 and renews annually.

G. 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. **Future agenda item requests**

   No discussion or action may be taken by the Commission on future agenda item requests.

H. Adjourn

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

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 acting City Clerk, Keila Tuttle , 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.

Keila Tuttle, Acting City Clerk

Date: **September 4, 2026**

D1.

CITY COMMISSION MEETING — MINUTES

DATE: August 19, 2026

TIME: 7:01 p.m.

LOCATION: Starbase City Hall

A. CALL TO ORDER AND QUORUM DETERMINATION

The meeting was called to order at 7:01 p.m. Present: Mayor Peden, Commissioner Buss, and Commissioner Wallace. Absent: none. A quorum was determined to be present.

City staff, including the City Administrator and Acting City Clerk, were also present.

B. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

C. PUBLIC COMMENT ON ALL AGENDA ITEMS

Six individuals addressed the Commission:

- Christine Ann C., Brownsville — lead librarian, Starbase Community Library — reported on the library's inaugural summer reading program.
- Becca Hinojosa, Brownsville, South Texas Environmental Justice Network — opposed the proposed C4 annexation and submitted a petition and landowner/counsel statements.
- Statement read into the record on behalf of Gerald Pedraza, Chicago (affected landowner) — opposed the annexation.
- Statement read into the record on behalf of Pedales, Altman, and Ice PC — urged greater public access, remote participation, and more public information on the annexation.
- Barb Buckner, property owner within the proposed C4 area — questioned the basis for annexation, services to be provided, potential conflicts of interest, and possible future use for private-property acquisition.
- Robin Gavriel — opposed Starbase and SpaceX actions regarding annexation and environmental matters.

D. CONSENT AGENDA

Item D.1 – Minutes of the City Commission meeting held July 14, 2026

Jordan Buss made a motion to approve the consent agenda, including the minutes of the July 14, 2026 meeting. Lois Wallace seconded the motion. The motion passed 3–0.

E. PUBLIC HEARING

Item E.1 – Public hearing on the proposed FY 2026-27 budget

The public hearing opened at 7:17 p.m. No speakers appeared, and the hearing closed at 7:17 p.m. No action was taken. (Budget adopted later in the evening as Item F.2.)

F. REGULAR SESSION

Item F.1 – Emergency Reserve and Emergency Expenditure Policy

Staff presented a reserve and expenditure policy establishing a minimum undesignated general fund balance of 20% of operating expenditures (33% target) and reserve categories for disaster emergency, revenue stabilization, and capital equipment replacement.

Lois Wallace made a motion to adopt Resolution No. 2026-21 – the Emergency Reserve and Emergency Expenditure Policy – as presented. Jordan Buss seconded the motion. The motion passed 3–0.

Item F.2 – Ordinance No. 2026-22 adopting the FY 2026-27 budget

Staff presented the proposed budget by category, based on the finalized county appraisal roll, covering administration, public safety, natural resources/beach conservation, community projects, and reserves.

Lois Wallace made a motion to adopt Ordinance No. 2026-22, the FY 2026-27 budget, as presented. Jordan Buss seconded the motion. The motion passed 3–0.

Record Vote: Wallace – Aye; Buss – Aye; Peden – Aye

Lois Wallace made a motion to ratify the property tax revenue increase reflected in the FY 2026-27 budget, per Local Government Code § 102.007. Jordan Buss seconded the motion. The motion passed 3–0.

Record Vote: Buss – Aye; Wallace – Aye; Peden – Aye

Item F.3 – Proposed 2026 tax rate

Staff reported a no-new-revenue rate of $0.775093/$100 and a voter-approval rate of $0.803732/$100 based on the certified 2026 appraisal roll, and recommended proposing the rate at the voter-approval rate.

Jordan Buss made a motion to propose a 2026 tax rate of $0.803732/$100 (a 3.69% increase over the no-new-revenue rate), call a public hearing for September 4, 2026 at

7:00 p.m. at Starbase City Hall, at which the tax rate will also be voted on, and direct staff to publish notice as required by law. Lois Wallace seconded the motion. The motion passed 3–0.

Record Vote: Buss – Aye; Wallace – Aye; Peden – Aye

Item F.4 – Resolution of verification and public hearing dates for the C4 annexation

Staff reported that the City Clerk verified the C4 annexation petition (approximately 7,133 acres) as signed by more than 50% of registered voters and more than 50% of landowners by area, satisfying Local Government Code § 43.0681.

Lois Wallace made a motion to adopt Resolution No. 2026-22 declaring the petition results and setting the second public hearing for September 4, 2026 at 7:00 p.m. and the third and final public hearing for September 21, 2026 at 7:00 p.m., both at Starbase City Hall. Jordan Buss seconded the motion. The motion passed 3–0.

G. COMMISSION / CITY ADMINISTRATOR COMMENTS

Item G.1 – Items of community interest

Commissioners recognized library staff for a successful summer reading program and thanked the volunteer fire department for its recent emergency response.

Item G.2 – Financial/budget update

The City Administrator presented a new financial dashboard for tracking budget categories and key performance indicators, reported approximately $2.75 million in cash on hand, noted a final note payment of approximately $1 million due in September, and stated that a budget amendment would be needed at the September meeting.

Item G.3 – Police department update

Staff reported progress toward TCOLE accreditation with a site visit scheduled for September 9, an anticipated chief swearing-in at a future meeting, active hiring for a sergeant, police administrator, and officers, and an accepted offer for the police administrator position with a September 1 start date.

Item G.4 – Boca Chica Beach update

Staff reported a successful July beach cleaning with reduced trash volume, ongoing weekly surf-rake and biweekly trash-pickup operations, and completion of erosion-study surveys showing preliminary evidence of beach erosion.

Item G.5 – Signed agreements / administrative update

The City Administrator noted continued use of AI and procurement tools, GIS mapping work, a payment to the library, a minor cloud-services cost increase, an added police training module, and an executed radio memorandum of understanding.

Item G.6 – Future agenda item requests

No discussion or action was taken on future agenda item requests.

<u>H. ADJOURNMENT</u>

Mayor Peden made a motion to adjourn. Jordan Buss seconded the motion. The meeting adjourned at 8:10 p.m.

Respectfully submitted,

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Keila Tuttle, Acting City Clerk

City of Starbase

Approved by the City Commission on: ______________________________

______________________________ ______________________________

Bobby Peden, Mayor Keila Tuttle, Acting City Clerk

D.2

HilltopSecurities
Investment Banking Solutions

MUNICIPAL ADVISORY AGREEMENT

This Municipal Advisory Agreement (the "Agreement") is made and entered into by and between Starbase Economic Development Corporation (the "Issuer") and Hilltop Securities Inc. ("HilltopSecurities"), and is dated, and shall be effective as of, the date executed by the Issuer as set forth on the signature page hereof (the "Effective Date").

WITNESSETH:

WHEREAS, the Issuer will have under consideration from time to time the authorization and issuance of municipal securities, including but not limited to the issuance and sale of evidences of indebtedness or debt obligations that may currently or in the future be authorized and issued or otherwise created or assumed by the Issuer, in amounts and forms which cannot presently be determined; and

WHEREAS, in connection with the authorization, sale, issuance and delivery of such municipal securities, as well as in connection with any matters relating to municipal financial products of the Issuer, the Issuer desires to retain a municipal advisor; and

WHEREAS, the Issuer desires to obtain the professional services of HilltopSecurities as a municipal advisor to advise the Issuer regarding the issuance of municipal securities and any municipal financial products, all as more fully described herein, during the period in which this Agreement shall be effective; and

WHEREAS, HilltopSecurities is willing to provide its professional services and its facilities as a municipal advisor in connection with the Issuer's issuances of municipal securities and any municipal financial products, all as more fully described herein, during the period in which this Agreement shall be effective.

NOW, THEREFORE, the Issuer and HilltopSecurities, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, do hereby agree as follows:

SECTION I
SCOPE OF SERVICES

A. **Scope of Services and Discharge of Responsibilities.**

1. ***Scope of Services***.

(a) HilltopSecurities is engaged by the Issuer as its municipal advisor to provide the services set forth in **Appendix A** hereto (the "Municipal Advisory Services"). The Municipal Advisory Services, together with any services to be provided by HilltopSecurities as the Issuer's independent registered municipal advisor ("IRMA") pursuant to subparagraph B.1 of this Section I, are hereinafter collectively referred to as the "Scope of Services" hereunder. The Scope of Services to be provided by HilltopSecurities may be changed only as provided in paragraph D of this Section I.

(b) If the Issuer engages HilltopSecurities or any of its affiliates, in a capacity other than as municipal advisor, to provide additional services that are not municipal advisory activities ("Non-Municipal Advisor Services"), such engagement for Non-Municipal Advisor Services shall be evidenced by a separate agreement between the Issuer and such party. The parties hereto acknowledge that such Non-Municipal Advisor Services shall not be governed by this Agreement and are intended to consist of activities not requiring registration as a municipal advisor under the Securities Exchange Act.

(c) The Issuer shall provide written notice to HilltopSecurities of any other municipal advisor engaged by the Issuer, whether in regard to all or any portion of the Municipal Advisory Services or for any other aspects of the issuance of municipal securities or municipal financial products outside the scope of the Municipal Advisory Services, as described in clause (c) of subparagraph B.1 of this Section I.

2. ***Inquiries and Information in Connection with HilltopSecurities' Duties***. If and to the extent provided in the Scope of Services, HilltopSecurities is called upon to make recommendations to the Issuer or to review recommendations made by others to the Issuer, and in connection therewith to determine whether such recommendations are suitable for the Issuer, in order to fulfill its duties with respect to such recommendations and any associated suitability determinations, HilltopSecurities is required under applicable regulations to make reasonable inquiries of the Issuer as to the relevant facts. Such facts include, at a minimum, information regarding the Issuer's financial situation and needs, objectives, tax status, risk tolerance, liquidity needs, experience with municipal securities transactions or municipal financial products generally or of the type and complexity being recommended, financial capacity to withstand changes in market conditions during the term of the municipal financial product or the period that municipal securities to be issued in the municipal securities transaction are reasonably expected to be outstanding, and any other material information known by HilltopSecurities about the Issuer and the municipal securities transaction or municipal financial product. In addition, HilltopSecurities is required under applicable regulations to use reasonable diligence to know the essential facts about the Issuer and the authority of each person acting on behalf of the Issuer so as to effectively service HilltopSecurities' municipal advisory relationship with the Issuer, to act in accordance with any special directions from the Issuer, to understand the authority of each person acting on behalf of the Issuer, and to comply with applicable laws, regulations and rules.

Accordingly, the Issuer hereby agrees to provide accurate and complete information reasonably designed to permit HilltopSecurities to fulfill its responsibilities in connection with any such recommendations and suitability determinations and to provide to HilltopSecurities reasonable access to relevant documents and personnel in connection with its required investigation to determine that any recommendations are not based on materially inaccurate or incomplete information. The Issuer acknowledges that HilltopSecurities may not be able to make requested recommendations or suitability determinations if it is not provided access to such information and that the Issuer shall be estopped from claiming a violation of HilltopSecurities' fiduciary duty to the Issuer in connection with a recommendation or suitability determination made by HilltopSecurities based on materially inaccurate or incomplete information provided by the Issuer.

3. ***Actions Independent of or Contrary to Advice***. The parties hereto acknowledge that the Issuer shall not be required to act in accordance with any advice or recommendation provided by HilltopSecurities to the Issuer. Upon providing such advice or recommendation to the Issuer, together with the basis for such advice or recommendation, HilltopSecurities shall have discharged its duties with regard to such advice or recommendation and shall not be liable for any financial or other damages resulting from the Issuer's election not to act in accordance with such advice or recommendation. Furthermore, the Issuer shall be estopped from claiming a violation of HilltopSecurities' fiduciary duty to the Issuer as a result of its election not to act in accordance with any advice or recommendation by HilltopSecurities, including but not limited to any claim that HilltopSecurities should have taken steps, in addition to providing its advice or recommendation together with the basis therefor, to cause the Issuer to follow its advice or recommendation.

4. ***Preparation of Official Statement in Connection with Issuance of Municipal Securities***. If and to the extent provided in the Scope of Services, HilltopSecurities is called upon to assist the Issuer in the preparation of its official statement in connection with the issuance of municipal securities, the Issuer

hereby agrees to provide accurate and complete information to HilltopSecurities reasonably designed to permit HilltopSecurities to fulfill its responsibility to have a reasonable basis for any information HilltopSecurities provides about the Issuer, its financial condition, its operational status and its municipal securities in connection with the preparation of the official statement. While HilltopSecurities may participate in the due diligence process in connection with the preparation of the official statement, if such participation is within the Scope of Services, HilltopSecurities shall not be obligated to undertake any inquiry or investigation in connection with such due diligence beyond any inquiries or investigations otherwise required by this Agreement. Furthermore, HilltopSecurities shall not be responsible for certifying the accuracy or completeness of the official statement, other than with respect to information about HilltopSecurities provided for inclusion in the official statement, if applicable. The Issuer agrees that HilltopSecurities may rely on any information provided to it by the Issuer for purposes of this paragraph.

5. ***Representations and Certifications.*** If and to the extent provided in the Scope of Services, HilltopSecurities is called upon to make representations and certifications with regard to certain aspects of matters pertaining to the Issuer, its municipal securities or municipal financial products arising as part of the Municipal Advisory Services to be provided pursuant to this Agreement, the Issuer hereby agrees to provide accurate and complete information to HilltopSecurities as may be reasonably necessary or otherwise helpful to HilltopSecurities in fulfilling its responsibility to have a reasonable basis for any representations, other than representations by HilltopSecurities regarding itself, made in a certificate signed by HilltopSecurities that may be relied upon by the Issuer, any other party involved in any matter arising as part of the Municipal Advisory Services, or investors in the Issuer's municipal securities. The Issuer agrees that HilltopSecurities may rely on any information provided to it by the Issuer for purposes of this paragraph.

B. Services as Independent Registered Municipal Advisor.

1. ***Designation as IRMA and Scope of Designation.***

(a) Subject to clause (b) of this subparagraph B.1, if the Issuer elects to designate HilltopSecurities, and HilltopSecurities agrees to represent the Issuer, as the Issuer's IRMA for purposes of Securities Exchange Commission ("SEC") Rule 15Ba1-1(d)(3)(vi) (the "IRMA exemption") with respect to the Municipal Advisory Services, HilltopSecurities will treat such role as IRMA as within the scope of Municipal Advisory Services. Any reference to HilltopSecurities, its personnel and its role as IRMA in the written representation of the Issuer contemplated under SEC Rule 15Ba1-1(d)(3)(vi)(B) shall be subject to prior approval by HilltopSecurities.

If there are any other aspects of the issuance of municipal securities or municipal financial products outside the scope of the Municipal Advisory Services with respect to which the Issuer seeks to have HilltopSecurities serve as its IRMA, such aspects, which are separate and distinct from Municipal Advisory Services for purposes of this Agreement, shall be included in Appendix A hereto and may be changed only as provided in paragraph D of this Section I. HilltopSecurities' duties as IRMA shall be strictly limited to the provision of advice to the Issuer with regard to third-party recommendations on any aspects of the issuance of municipal securities or municipal financial products outside the scope of the Municipal Advisory Services, subject to subparagraph B.3 of this Section I, and the provision of advice by HilltopSecurities to the Issuer with respect to such matters shall not result in a change in scope of the Municipal Advisory Services. By way of example, if HilltopSecurities serves as municipal advisor for an issuance of municipal securities within the scope of Municipal Advisory Services, but is asked to review a recommendation made by a third party with respect to a different issuance of municipal securities not within the scope of Municipal Advisory Services, any advice with respect to such review would not, by itself, cause such other issuance to come within the scope of Municipal Advisory Services, and HilltopSecurities would not be obligated to undertake any of the services set forth in Appendix A with regard to such issuance unless the scope of Municipal Advisory Services hereunder is amended to include such issuance.

(b) If the Issuer elects not to designate HilltopSecurities to serve as an IRMA for purposes of the IRMA exemption with respect to the Municipal Advisory Services, or if the Issuer elects to designate HilltopSecurities to serve as IRMA for less than the full range of Municipal Advisory Services, such election shall be set forth in Appendix A.

(c) The Issuer shall provide written notice to HilltopSecurities of any other municipal advisor engaged by the Issuer, whether such other municipal advisor has been designated as an IRMA, and such notice shall include the scope of services of such municipal advisor. If the Issuer has engaged, or has caused HilltopSecurities to engage through subcontract, any other party to serve as municipal advisor to the Issuer with regard to all or any portion of the Municipal Advisory Services ("Joint Municipal Advisory Services"), whether engaged jointly with or separately from HilltopSecurities (a "Co-Municipal Advisor"), the Issuer agrees that such Co-Municipal Advisor shall not be entitled to treat HilltopSecurities as an IRMA with respect to the Joint Municipal Advisory Services. Notwithstanding the preceding sentence, the Issuer may seek to have HilltopSecurities provide advice on any recommendation made by a Co-Municipal Advisor with regard to matters within the scope of Joint Municipal Advisory Services on the same terms as set forth in subparagraph B.3 of this Section I, provided that any such advice provided by HilltopSecurities shall not serve to eliminate or reduce such Co-Municipal Advisor's fiduciary or other duties as municipal advisor to the Issuer.

2. ***HilltopSecurities Not Responsible for Independence from Third Parties.*** Notwithstanding HilltopSecurities' status as an IRMA, HilltopSecurities shall not be responsible for ensuring that it is independent, within the meaning of the IRMA exemption as interpreted by the SEC, from another party wishing to rely on the exemption from the definition of municipal advisor afforded under the IRMA exemption or for otherwise ensuring that any such party not be treated as a municipal advisor for purposes of Section 15B of the Securities Exchange Act or any SEC or Municipal Securities Rulemaking Board ("MSRB") rule thereunder. The Issuer expressly acknowledges that it is the responsibility of such other party to make its own determination of independence and that such other party shall not be entitled to cause HilltopSecurities to make any personnel changes to allow such party to qualify for the IRMA exemption.

3. ***Recommendations Provided by Third Parties Relying on IRMA Exemption.*** The Issuer agrees that, to the extent the Issuer seeks to have HilltopSecurities provide advice with regard to any recommendation made by a third party relying on the IRMA exemption, the Issuer shall provide to HilltopSecurities written direction to provide advice with regard to such third party recommendation as well as any information it has received from such third party. In connection therewith, HilltopSecurities shall be authorized to communicate with such third party as necessary or appropriate in order for HilltopSecurities to have the information it needs to provide informed advice to the Issuer with regard to such recommendation. HilltopSecurities shall provide to the Issuer recommendations it receives directly from any third party but shall not be required to provide advice to the Issuer with regard to any such recommendation unless the Issuer has provided to HilltopSecurities the written direction as described above in this subparagraph B.3.

Except as may be otherwise expressly provided in writing by HilltopSecurities, no recommendation by a third-party (including but not limited to a Co-Municipal Advisor) shall be deemed to be a recommendation by HilltopSecurities, and the failure by HilltopSecurities to specifically address any aspect of a third-party recommendation shall not be viewed as HilltopSecurities having implicitly accepted or approved such aspect of the recommendation or otherwise having adopted the recommendation or any aspect thereof as its own recommendation. Furthermore, the Issuer agrees that, to the extent the Issuer does not seek to have HilltopSecurities provide advice with regard to any recommendation made by a third party relying on the IRMA exemption, HilltopSecurities shall not be required to provide any advice with regard to such recommendation notwithstanding any information it may have received from such third party. HilltopSecurities may rely on the absence of the Issuer's written direction to provide advice with regard to a third party recommendation as indicative that the Issuer does not seek to have HilltopSecurities provide such advice.

C. Limitations on Scope of Engagement.

1. ***Express Limitations.*** The Scope of Services with respect to HilltopSecurities' engagement as municipal advisor shall be solely as provided in paragraphs A and B of this Section I and Appendix A of this Agreement, subject to the express limitations set forth in this paragraph C. The failure of the parties hereto to set out any particular service or responsibility, or any particular type or aspect of the issuance of municipal securities or municipal financial products, within the express limitations in this paragraph C shall not, by its omission, cause such service, responsibility or product to be within the scope of this engagement if not contemplated by the mutual agreement of the parties hereto or if not reasonably viewed as encompassed by the description of the Municipal Advisory Services set forth in this Agreement.

2. ***Limitation as to Matters Within Then-Current Scope of Engagement.*** It is expressly understood that HilltopSecurities serves as municipal advisor to the Issuer only with respect to the matters, and with respect to specific aspects of matters, within the then-current Scope of Services. The Issuer acknowledges that HilltopSecurities is not a municipal advisor to the Issuer with respect to matters expressly excluded from such Scope of Services as set forth in this paragraph C or matters otherwise not within the Scope of Services as set forth in paragraphs A and B of this Section I and Appendix A hereto. Without limiting the generality of the preceding sentence, the parties hereto agree that HilltopSecurities' service as municipal advisor for one issuance of municipal securities would not result in HilltopSecurities being a municipal advisor to the Issuer for any other issuances of municipal securities if such other issuances are not within the Scope of Services. It is expressly understood that HilltopSecurities shall be municipal advisor with respect to a particular issuance of municipal securities or a particular municipal financial product beginning on the earlier of (a) the date on which HilltopSecurities is assigned to serve or is otherwise put on notice by the Issuer that it will serve as municipal advisor for such particular matter or (b) the date on which HilltopSecurities first provides advice to the Issuer with respect to such particular matter, and it is further understood that HilltopSecurities shall not be deemed to be a municipal advisor to the Issuer with respect to any such particular matter prior to such date merely due to the fact that the matter falls within the general description of the Scope of Services.

3. ***Transactions and Services Outside Scope of Engagement.*** To the extent that the Issuer engages in any transaction with HilltopSecurities, or any affiliate of HilltopSecurities, as principal relating to municipal securities (including but not limited to as underwriter for the issuance of municipal securities) or municipal financial products that are not within the Scope of Services and with respect to which HilltopSecurities does not in fact provide advice other than as permitted within the exceptions and exclusions of SEC Rule 15Ba1-1, the Issuer agrees that it would not view HilltopSecurities as serving as its municipal advisor with respect to such transaction or any related issuance of municipal securities or municipal financial product. In addition, as noted in clause (b) of subparagraph A.1 of this Section I, the Issuer understands that Non-Municipal Advisor Services are outside the scope of this engagement.

4. ***Issuer Consent to Limitation in Scope.*** The Issuer expressly consents to the limitations in scope of the engagement as described in this paragraph C.

D. Change in Scope of Services. The scope of services to be provided by HilltopSecurities, whether within or outside of the scope of the Municipal Advisory Services, may be changed only by written amendment to Appendix A, and the parties hereto agree to amend such appendix promptly to reflect any material changes or additions to the scope of such services, as applicable. Furthermore, the parties hereto agree to amend paragraph C of this Section I to reflect any material changes or additions to the limitations on the overall Scope of Services.

The parties hereto agree that if, on an infrequent or inadvertent basis, HilltopSecurities takes any actions for or on behalf of the Issuer that constitute municipal advisory activities within the meaning of MSRB Rule G-42(f)(iv) but which are not within the Scope of Services under this Agreement, such actions shall not, by themselves, serve to change the Scope of Services under this Agreement without a written amendment as provided in this paragraph. Furthermore, to the extent that any such activities not within the Scope of Services under this Agreement consists of inadvertent advice provided with respect to the issuance of municipal securities or municipal financial products that are not within the Scope of Services under this Agreement, HilltopSecurities may take such action, if any, as it deems appropriate pursuant to Supplementary Material .07 of MSRB Rule G-42 with respect to such inadvertent advice, to maintain the Scope of Services under this Agreement consistent with the intent of the parties hereto.

Amendments to Appendix A may be effected by replacement of the prior version of the appendix with a new version or by the addition of an addendum to such appendix, provided that any such amended appendix shall be dated as of its effective date and shall cause Appendix A, taken together with the provisions of this Section I, to clearly set forth the then-current scope of HilltopSecurities' engagement hereunder and any limitations to such scope.

E. Non-Municipal Advisory Activities Related to Scope of Services. The Scope of Services under this Agreement is intended to encompass activities subject to the provisions of Securities Exchange Act Section 15B and the rules of the SEC and MSRB thereunder relating to municipal advisory activities. However, the Issuer and HilltopSecurities acknowledge that in some cases the range of activities necessary or appropriate to provide the intended services hereunder in a fair, effective and efficient manner for the benefit of the Issuer may involve a combination of actions that consist of municipal advisory activities and actions that may not qualify as municipal advisory activities. Unless otherwise prohibited by Securities Exchange Act Section 15B or any rule of the SEC or MSRB thereunder, the fact that HilltopSecurities serves as municipal advisor to the Issuer in connection with a particular matter shall not prohibit HilltopSecurities from undertaking such necessary or appropriate non-municipal advisory activities in connection therewith, and the fact that HilltopSecurities undertakes such non-municipal advisory activities within the Scope of Services under this Agreement would not, by itself, cause such activities to become municipal advisory activities for purposes Securities Exchange Act Section 15B or any rule of the SEC or MSRB thereunder.

SECTION II
TERMINATION

A. Term of this Engagement. The term of this Agreement begins on the Effective Date and ends, unless terminated pursuant to paragraph B of this Section II, on the last day of the month in which the fifth anniversary date of the Effective Date shall occur (the "Original Termination Date"). Unless HilltopSecurities or the Issuer shall notify the other party in writing at least thirty (30) days in advance of the Original Termination Date that this Agreement will not be renewed, this Agreement will be automatically renewed on the Original Termination Date for an additional one (1) year period and thereafter will be automatically renewed on each anniversary date of the Original Termination Date for successive one (1) year periods unless HilltopSecurities or the Issuer shall notify the other party in writing at least thirty (30) days in advance of such successive anniversary date.

B. **Termination of this Engagement**. This Agreement may be terminated with or without cause by the Issuer or HilltopSecurities upon the giving of at least thirty (30) days' prior written notice to the other party of its intention to terminate, specifying in such notice the effective date of such termination. In the event of such termination, it is understood and agreed that only the amounts due HilltopSecurities for services provided and expenses incurred to the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement.

SECTION III
COMPENSATION, EXPENSES, LIABILITY AND OTHER FINANCIAL MATTERS

A. **Compensation.** The fees due to HilltopSecurities for the Municipal Advisory Services and any other services set forth in Appendix A hereto shall be as provided in **Appendix B** hereto. The Issuer has agreed to the compensation arrangements set forth in Appendix B and believes that they are reasonable and not excessive. If at any time the Issuer becomes concerned that, notwithstanding its initial belief that the compensation arrangements set forth in this Agreement are reasonable, the actual amount of compensation to be paid in accordance with such arrangements for any particular matter during the course of this engagement may potentially become excessive, the Issuer shall immediately notify HilltopSecurities in writing of its concern in that regard.

B. **Expenses**. HilltopSecurities shall be entitled to reimbursement of expenses incurred in connection with any services provided hereunder as set forth in Appendix B.

C. **Third-Party Payments**. The Issuer agrees that any request it makes to HilltopSecurities to make payments to any third party on its behalf (other than with any underwriter), whether pursuant to a fee-splitting arrangement or otherwise, shall be in writing and shall set forth the name of the recipient, the amount of payment, and a brief statement of the purpose of such payment. The Issuer agrees that the counter signature by HilltopSecurities of any such written request shall be satisfactory disclosure of such third-party payment or fee-splitting arrangement for purposes of MSRB Rule G-42(e)(i)(D) and shall, in the case of any such arrangements made after the Effective Date, serve as satisfactory written disclosure of any conflict of interest arising from such third-party payment or fee-splitting arrangement for purposes of MSRB Rule G-42(b)(i)(D) and (c)(ii).

D. **No Custody of Issuer Funds**. This engagement does not contemplate that HilltopSecurities receive deposit of or maintain custody of the Issuer's funds unless otherwise provided in Appendix A hereto.

E. **Limitation on Liability.** In the absence of willful misconduct, bad faith, gross negligence or reckless disregard of obligations or duties hereunder on the part of HilltopSecurities or any of its associated persons, HilltopSecurities and its associated persons shall have no liability to the Issuer for any act or omission in the course of, or connected with, rendering services hereunder or for any error of judgment, mistake of law, or any loss arising out of any issuance of municipal securities, any municipal financial product or any other investment.

SECTION IV
REQUIRED DISCLOSURES

A. Disclosure of Conflicts of Interest and Information Regarding Legal or Disciplinary Events. The Issuer hereby acknowledges receipt of, and has read and understands the content of, the Municipal Advisor Disclosure Statement, attached hereto as **Appendix C**, current as of the date of this Agreement, setting forth disclosures by HilltopSecurities of material conflicts of interest (the "Conflict Disclosures"), if any, and of any legal or disciplinary events required to be disclosed pursuant to MSRB Rule G-42(b) and (c)(ii). The Conflict Disclosures also describe how HilltopSecurities addresses or intends to manage or mitigate any disclosed conflicts of interest, as well as the specific type of information regarding, and the date of the last material change, if any, to the legal and disciplinary events required to be disclosed on Forms MA and MA-I filed by HilltopSecurities with the SEC.

B. Waiver of Disclosed Conflicts of Interest. By executing this Agreement, the Issuer hereby waives any conflicts of interest disclosed by HilltopSecurities in the Conflict Disclosures as of the date of this Agreement.

C. Consent to Electronic Delivery of Disclosures. By executing this Agreement, the Issuer consents, for the full term of this Agreement, to the electronic delivery of the Conflict Disclosures at no cost to the Issuer, in lieu of delivery of hard copy. The Conflict Disclosures may be delivered by email to the Issuer at max.levin@starbase.texas.gov, or at such other email address as the Issuer may hereafter provide in writing to HilltopSecurities.

SECTION V
MISCELLANEOUS

A. Choice of Law. This Agreement shall be construed and given effect in accordance with the laws of the State of Texas.

B. Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the Issuer and HilltopSecurities, their respective successors and assigns; provided however, neither party hereto may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other party.

C. Entire Agreement. This instrument, including all appendices hereto, contains the entire agreement between the parties relating to the rights herein granted and obligations herein assumed. Any oral or written representations or modifications concerning this Agreement shall be of no force or effect except for a subsequent modification in writing signed by all parties hereto, subject to the provisions of paragraph D of Section I hereof.

Signature page follows

HILLTOP SECURITIES INC.

DocuSigned by:

By: Andre Ayala
D5EC874B2E9E4EA...
Andre Ayala
Managing Director

DocuSigned by:

By: Nick Bulaich
F5EEB47503B9461...
Nicholas Bulaich
Managing Director

STARBASE ECONOMIC DEVELOPMENT CORPORATION

Signed by:

By:______________________________
7BB380E2C1EE4A7...

Name: Bobby Peden____________

Title: Board President__________

Date: 8/28/2026

APPENDIX A
MUNICIPAL ADVISORY SERVICES

This Appendix A sets out the scope of the Municipal Advisory Services to be performed by HilltopSecurities pursuant to the Agreement, subject to the limitations in scope set out in paragraph C of Section I of the Agreement, and with the understanding that:

(a) Individual actions taken within this scope shall be consistent with any request or direction provided by an authorized representative of the Issuer or as HilltopSecurities determines to be necessary or appropriate in furtherance of any matter for which it serves as municipal advisor. However, not all listed activities will be appropriate, necessary or applicable to any particular matter subject to this Agreement.

(b) For purposes of this Agreement, an issuance of municipal securities (an "issuance") shall encompass any and all stages in the life of an issuance, from the pre-issuance planning stage to the repayment stage.

I. **New Issuances of Municipal Securities.** At the direction of or upon the request of the Issuer, HilltopSecurities shall provide advice to the Issuer on any new issuances, including reofferings of outstanding issuances that are treated for purposes of the federal securities laws and/or federal tax laws as new issuances, throughout the term of this Agreement. The activities to be performed by HilltopSecurities may include, depending on the specific circumstances of an issuance and any request or direction of the Issuer, one or more of the following:

Planning for New Issuance

1. ***Survey and Analysis***. Surveying the financial resources of the Issuer in connection with its capacity to authorize, issue and service the contemplated issuance. This survey would be expected to include an analysis of any existing debt structure as compared with the existing and projected sources of revenues which may be pledged to secure payment of debt service and, where appropriate, would include a study of the trend of the assessed valuation, taxing power and present and future taxing requirements of the Issuer. In the event revenues of existing or projected facilities operated by the Issuer are to be pledged to repayment of the contemplated issuance, the survey would be expected to take into account any outstanding indebtedness payable from such revenues, additional revenues to be available from any proposed rate increases, and additional revenues resulting from improvements to be financed by the contemplated issuance, as projected by consulting engineers engaged by the Issuer.

2. ***Future Financings***. In connection with the contemplated issuance, considering and analyzing future financing needs as projected by the Issuer's staff and consulting engineers or other experts, if any, engaged by the Issuer.

3. ***Recommendations***. Making recommendations to the Issuer on the contemplated issuance, including such elements as the date of issue, interest payment dates, schedule of principal maturities, options for prepayment, security provisions, and such other provisions as may be appropriate.

4. ***Market Information***. Advising the Issuer of HilltopSecurities' view of current bond market conditions, other related forthcoming bond issues and general information (including

applicable economic data) which might normally be expected to influence interest rates or bidding conditions relevant to setting an appropriate date and time for the sale of the issuance.

5. ***Elections***. In the event it is necessary to hold an election to authorize the contemplated issuance, assisting in coordinating the assembly of such data as may be required for the preparation of necessary petitions, orders, resolutions, ordinances, notices and certificates in connection with the election, including assistance in the transmission of such data to the Issuer's bond counsel.

Debt Management and Financial Implementation for New Issuance

6. ***Method of Sale***. Evaluating the particular financing being contemplated, giving consideration to the complexity, market acceptance, rating, size and structure in order to make a recommendation as to an appropriate method of sale, and:

a. If the issuance is to be sold by a competitive sale:

(1) Supervising the sale of the municipal securities;

(2) Disseminating information to prospective bidders, organizing such informational meetings as may be necessary, and facilitating prospective bidders' efforts in making timely submission of proper bids;

(3) Assisting the staff of the Issuer in coordinating the receipt of bids, the safekeeping of good faith checks and the tabulation and comparison of submitted bids;

(4) Advising the Issuer regarding the best bid and provide advice regarding acceptance or rejection of the bids; and

(5) Obtaining CUSIP numbers on behalf of the Issuer.

b. If the issuance is to be sold by negotiated sale:

(1) Recommending for the Issuer's final approval and acceptance one or more investment banking firms, as sole underwriter or as managers of an underwriting syndicate, for the purpose of negotiating the purchase of the municipal securities;

(2) Cooperating with and assisting any selected sole or managing underwriter and its counsel, as well as any disclosure counsel retained by the Issuer, in connection with the preparation of any preliminary or final official statement or offering memorandum. HilltopSecurities will cooperate with and assist the underwriters in the preparation of a bond purchase contract, an underwriters' agreement and other related documents;

(3) Assisting the staff of the Issuer in the safekeeping of any good faith checks and providing a cost comparison to the then-current market of expenses, interest rates and prices which are proposed by the underwriters;

(4) Advising the Issuer on the fairness of the price offered by the underwriters;

(5) Advising the Issuer in connection with any terms and conditions it may wish to establish with respect to order priorities and other similar matters relating to the underwriting of the new issuance;

(6) If the new issuance will have a retail order period, advising the Issuer on retail eligibility criteria and other features of the retail order period and reviewing information provided by the underwriters to the Issuer in connection with retail orders received; and

(7) At the request of the Issuer, reviewing required disclosures by underwriters to the Issuer relating to their role as underwriter, conflicts of interests, material terms and risks of the issuance, and any other matters, and providing any appropriate advice to the Issuer in connection with such disclosures.

7. ***Offering Documents for Competitive Offerings***. Coordinating the preparation of the notice of sale and bidding instructions, preliminary official statement (including cooperating with and assisting any disclosure counsel retained by the Issuer), official bid form and such other documents as may be required and submitting all such documents to the Issuer for examination, approval and certification. After such examination, approval and certification, HilltopSecurities shall provide the Issuer with a supply of all such documents sufficient to its needs and distribute sets of the same to prospective bidders for the municipal securities. HilltopSecurities also shall provide copies of the final official statement to the winning bidder purchasing the municipal securities in the MSRB-designated electronic format and in accordance with the notice of sale and bidding instructions promptly after the Issuer approves the final official statement for distribution.

8. ***Credit Ratings***. Making recommendations to the Issuer on the advisability of obtaining one or more credit ratings for the issuance and, when directed by the Issuer, coordinating the preparation of such information as may be appropriate for submission to any rating agency. In those cases where the advisability of personal presentation of information to a rating agency may be indicated, HilltopSecurities will arrange for such personal presentations, utilizing such composition of representatives from the Issuer as may be approved or directed by the Issuer.

9. ***Trustee, Paying Agent, Registrar, Professionals and Other Transaction Participants***. Upon request, providing advice to the Issuer in the selection of a trustee and/or paying agent/registrar, legal, accounting or other professionals, and other transaction participants relating to any issuance, and assisting in the negotiation of agreements pertinent to these services and the fees incident thereto.

10. ***Financial Publications***. When appropriate, advising financial publications of the forthcoming sale of the municipal securities and providing them with all pertinent information.

11. ***Consultants***. After consulting with and receiving directions from the Issuer, arranging for such reports and opinions of recognized independent consultants as may be appropriate for the successful marketing of the issuance.

12. ***Auditors***. In the event formal verification by an independent auditor of any calculations incident to the issuance is required, making arrangements for such services.

13. ***Issuer Meetings***. Attending meetings of the governing body of the Issuer, its staff, representatives or committees as requested when HilltopSecurities may be of assistance or service and matters within the scope of this engagement are to be discussed.

14. ***Printing***. To the extent authorized by the Issuer, coordinating all work incident to printing or final production, physical or electronic, of the offering documents.

15. ***Bond Counsel***. Maintaining liaison with bond counsel in the preparation of all legal documents pertaining to the authorization, sale and issuance of the municipal securities.

16. ***Delivery of the Municipal Securities***. As soon as a bid for the purchase of a competitive issuance is accepted by the Issuer or the bond purchase contract for a negotiated issuance is signed by the Issuer, coordinating the efforts of all concerned to the end that the municipal securities may be delivered and paid for as expeditiously as possible and assisting the Issuer in the preparation or verification of final closing figures incident to the delivery of the municipal securities.

17. ***Debt Service Schedule; Authorizing Resolution***. After the closing of the sale and delivery of the issuance, delivering to the Issuer a schedule of annual debt service requirements for the issuance and, in coordination with bond counsel, assuring that the paying agent/registrar and/or trustee has been provided with a copy of the authorizing ordinance, order or resolution.

18. ***Continuing Disclosure***. Providing advice to the Issuer with regard to its continuing disclosure undertakings for its new issuances and its selection of a dissemination agent under its continuing disclosure undertakings; provided that, upon the mutual agreement of the Issuer and HilltopSecurities, HilltopSecurities may serve as dissemination agent under one or more of the Issuer's continuing disclosure undertakings upon such terms as the parties shall agree, with such service as dissemination agent being expressly excluded from the scope of this Agreement.

II. **Baseline Advice on Outstanding Issuances of Municipal Securities.** HilltopSecurities shall provide baseline on-going advice to the Issuer on any outstanding issuances throughout the term of this Agreement, which may include, depending on the specific circumstances of such issuance and any request or direction of the Issuer:

1. ***Exercising Calls***. Providing advice and assistance to the Issuer with regard to exercising any calls of outstanding municipal securities unrelated to a refunding of such securities.

2. ***Refundings and Tender Offers***. Providing advice to the Issuer with regard to opportunities for refundings of outstanding issuances or to make tender offers for outstanding issuances, whether by means of a new issuance, bank loans, or other funds of the Issuer, but not including serving as advisor in connection with the specific transaction through which such refunding or tender offer is effected. Transaction-based advice in connection with a specific new issuance of bonds to effectuate any such refunding or tender offer would be provided within the scope of Municipal Advisory Services for new issuances described in Section I above. Transaction-based advice in connection with a specific bank loan or other transaction to effectuate any such refunding or tender offer, other than by means of a new issuance of bonds would be provided pursuant to a separate agreement as described in Section IV below.

3. ***Continuing Disclosure***. Providing advice to the Issuer with regard to continuing disclosure undertakings for outstanding issuances; processes, policies and procedures to comply with

continuing disclosure undertakings; and coordination of continuing disclosure obligations arising from different continuing disclosure undertakings for its various issuances. However, the preparation of continuing disclosure documents, other than in the capacity of dissemination agent under a continuing disclosure undertaking, would be provided within the scope of other services described in Section V. below.

III. Particularized Services on Outstanding Issuances of Municipal Securities. HilltopSecurities may provide to the Issuer certain additional advisory or related services in connection with particular outstanding issuances or matters affecting multiple outstanding issuances throughout the term of this Agreement, which may include, depending on the specific circumstances of such issuance and any request or direction of the Issuer:

1. ***Other Post-Sale Services***. Reviewing the transaction features and documentation of outstanding issuances with legal counsel for the Issuer, bond counsel, auditors and other experts and consultants retained by the Issuer and assisting in developing appropriate responses to legal processes, audit procedures, inquiries, internal reviews and similar matters, or other services related to one or more outstanding issuances as may be agreed to by the Issuer and HilltopSecurities.

2. ***Brokerage of Municipal Escrow Investments*.** At the request of the Issuer, brokering the purchase of municipal escrow investments in connection with a refunding of an outstanding issuance, together with any recommendations by HilltopSecurities (but not by Hilltop Securities Asset Management, LLC as an investment adviser) with respect to such brokerage.

IV. Services as Independent Registered Municipal Advisor ("IRMA"). At the written request of the Issuer, HilltopSecurities shall, as the Issuer's IRMA, review and provide advice to the Issuer in connection with any recommendations, proposals, ideas or matters suggested or otherwise communicated by a third party to the Issuer with respect to the same aspects of the issuance of municipal securities or municipal financial products that are within the scope of Municipal Advisory Services. There are no aspects of the issuance of municipal securities or municipal financial products that are outside the scope of Municipal Advisory Services set forth in this Appendix.

V. Other Services Relating to Municipal Securities. HilltopSecurities agrees to make available to the Issuer other services relating to municipal securities, when so requested by the Issuer and subject to the agreement by Issuer and HilltopSecurities regarding the specific requirements with respect to such services, which requirements shall be made part of the scope of Municipal Advisory Services and included in this Appendix as an amendment or addendum, which services may include, without limitation:

1. *Capital Improvement Programs*. Providing advice and assistance in the development of any capital improvement programs of the Issuer.

2. *Long-Range Planning*. Providing advice and assistance in the development of other long-range financing plans of the Issuer.

3. ***Refundings and Tender Offers***. Providing advice and assistance in executing a refunding or tender offer of an outstanding issuance other than by means of refunding bonds, such as by means of a bank loan or other funds of the Issuer.

4. ***Continuing Disclosure Documents***. Preparing and providing advice with regard to the content of continuing disclosure documents in compliance with the Issuer's continuing disclosure

undertakings for its outstanding issuances, other than in the capacity of dissemination agent under a continuing disclosure undertaking.

* * * * *

As provided in paragraph D of Section I of the Agreement, amendments to this Appendix A may be effected by replacement of this Appendix A with a new version hereof or by the addition of an addendum to this Appendix A, and this Appendix A, as it may have been amended, shall be dated and effective as of the most recent of the date set forth in any such amendment or the date set forth in any addendum to this Appendix A. Notwithstanding anything in this Agreement to the contrary, fee caps for services tied to individual issuances may be evidenced by a signed letter of acknowledgement by HilltopSecurities to the board or the executive director of the Issuer.

APPENDIX B
FORM AND BASIS OF COMPENSATION

This Appendix B sets out the form and basis of compensation to HilltopSecurities for the Municipal Advisory Services provided under this Agreement as set forth in Appendix A; provided that the compensation arrangements set forth in this Appendix B shall also apply to any additional services hereafter added to the scope of the Municipal Advisory Services, unless otherwise provided in the amendment to the Agreement relating to such change in scope of Municipal Advisory Services as provided in paragraph D of Section I of the Agreement.

I. **New Issuances of Municipal Securities.** It is anticipated that the fees due HilltopSecurities in connection with the Municipal Advisory Services set forth in Section I of Appendix A hereto for each new issuance of municipal securities will be negotiated and agreed by the parties, and the agreed fee agreement may be evidenced by a signed letter from HilltopSecurities to the board or the executive director of the Issuer. The fees will not exceed those contained in our fee schedule as listed below:

Traditional Municipal Securities (including sales tax revenue bonds and contract revenue bonds)

Base Fee of $25,000 for any issue; plus 0.5% of the par amount of the municipal securities issued up to $10,000,000; plus 0.35% of the par amount of the municipal securities issued for amounts over $10,000,000.

The above charges shall be multiplied by 1.25 for an issuance of municipal securities for which HilltopSecurities participates in the completion of an application to a federal or state government agency or for the issuance of refunding bonds or variable rate bonds, reflecting the additional services required.

Fees for financings with state and/or federal agencies shall be calculated based on the entire size of the financing program.

Economic Development Municipal Securities (including, but not limited to: contract revenue bonds; appropriation bonds; sales tax revenue bonds; or other revenue associated with economic development)

Base Fee of $25,000 for any issue; plus 2% of the par amount of the municipal securities issued. The Base Fee of $25,000 is due in advance prior to commencement of work unless different arrangements are negotiated with the Issuer in writing.

In the event Traditional Municipal Securities are associated with a development project, the fee schedule preceding this paragraph shall apply.

The payment of charges as set forth in this Section I for new issuances shall be contingent upon the delivery of the new issuance and shall be due at the time that the municipal securities are delivered.

II. **Baseline Advice on Outstanding Issuances of Municipal Securities.** There shall be no additional fees due HilltopSecurities in connection with the Municipal Advisory Services set forth in Section II of Appendix A hereto, with the understanding that such services are integral to HilltopSecurities' engagement as municipal advisor to the Issuer and HilltopSecurities shall be compensated for such services through and as part of the fees paid for the other services provided by HilltopSecurities hereunder.

III. Particularized Services on Outstanding Issuances of Municipal Securities. In connection with Other Post-Sale Services described in Section III of Appendix A hereto, HilltopSecurities shall not charge an additional fee.

In the event the Issuer requests services where HilltopSecurities believes it is reasonable to seek retainer fees, hourly fees or success fees, both Issuer and HilltopSecurities shall negotiate such fees in good faith.

In connection with the brokerage of municipal escrow investments described in Section III of Appendix A hereto, HilltopSecurities shall charge a commission that is normal and customary for investments of that type under then-current market conditions and shall disclose such commission to the Issuer so that the Issuer may consider the information in making its investment decision.

IV. Third-Party Recommendations, Proposals, Ideas or Other Matters as IRMA. In connection with its review of and advice on third-party recommendations to Issuers as an IRMA as described in Section IV of Appendix A hereto, HilltopSecurities shall not charge a fee.

V. Other Services Relating to Municipal Securities. In connection with any services described in Section V of Appendix A hereto requested by the Issuer and agreed to by HilltopSecurities, the fees due with respect to any such services shall be as agreed to by the parties hereto, which terms shall be made part of the compensation provided under this Agreement and shall be included in this Appendix as an amendment or addendum hereto.

VI. Expenses. The Issuer shall be responsible for the following expenses in connection with the Municipal Advisory Services (including any additional services hereafter added to the scope of the Municipal Advisory Services), if and when applicable, whether they are charged to the Issuer directly as expenses or charged to the Issuer by HilltopSecurities as reimbursable expenses: bond counsel fees and expenses, bond printing costs, bond ratings fees and expenses, debt structuring fees, credit enhancement fees and expenses, accountant fees for verifications and related activities in connection with refundings, official statement preparation and printing, paying agent/registrar/trustee fees and expenses, travel expenses (only when warranted and as approved by the Issuer; otherwise not applicable), underwriter and underwriter's counsel fees and expenses, and other miscellaneous expenses incurred by HilltopSecurities in the furtherance of any matter for which it serves as municipal advisor, including copy, delivery, phone and other charges normally incurred in connection with engagements of this type.

The Issuer agrees that any expense that it requests that HilltopSecurities pay to any third party on the Issuer's behalf shall be made in writing and shall be in accordance with paragraph C of Section III of the Agreement.

The payment of reimbursable expenses that HilltopSecurities has assumed on behalf of the Issuer shall NOT be contingent upon the delivery of a new issuance of municipal securities or the completion of any other transactions for which such expenses have been assumed and shall be due at the time that services are rendered and payable upon receipt of an invoice therefor submitted by HilltopSecurities, unless otherwise provided for in any amendment or addendum hereto in connection with the compensation arrangements for any services provided under the Agreement for which such amendment or addendum is required.

APPENDIX C
MUNICIPAL ADVISOR DISCLOSURE STATEMENT

This disclosure statement ("Conflict Disclosures") is provided by **Hilltop Securities Inc.** ("the Firm") to you (the "Client") in connection with our current municipal advisory agreement, ("the Agreement"). These Conflict Disclosures provide information regarding conflicts of interest and legal or disciplinary events of the Firm that are required to be disclosed to the Client pursuant to MSRB Rule G-42(b) and (c)(ii).

PART A – Disclosures of Conflicts of Interest

MSRB Rule G-42 requires that municipal advisors provide to their clients disclosures relating to any actual or potential material conflicts of interest, including certain categories of potential conflicts of interest identified in Rule G-42, if applicable.

Material Conflicts of Interest – The Firm makes the disclosures set forth below with respect to material conflicts of interest in connection with the Scope of Services under the Agreement with the Firm, together with explanations of how the Firm addresses or intends to manage or mitigate each conflict.

General Mitigations – As general mitigations of the Firm's conflicts, with respect to all of the conflicts disclosed below, the Firm mitigates such conflicts through its adherence to its fiduciary duty to Client, which includes a duty of loyalty to Client in performing all municipal advisory activities for Client. This duty of loyalty obligates the Firm to deal honestly and with the utmost good faith with Client and to act in Client's best interests without regard to the Firm's financial or other interests. In addition, because the Firm is a broker-dealer with significant capital due to the nature of its overall business, the success and profitability of the Firm is not dependent on maximizing short-term revenue generated from individualized recommendations to its clients but instead is dependent on long-term profitably built on a foundation of integrity, quality of service and strict adherence to its fiduciary duty. Furthermore, the Firm's municipal advisory supervisory structure, leveraging our long-standing and comprehensive broker-dealer supervisory processes and practices, provides strong safeguards against individual representatives of the Firm potentially departing from their regulatory duties due to personal interests. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below.

I. Affiliate Conflict. The Firm, directly and through affiliated companies, provides or may provide services/advice/products to or on behalf of clients that are related to the Firm's advisory activities within the Scope of Services outlined in the Agreement. Hilltop Securities Asset Management (HSAM), a SEC-registered affiliate of the Firm, provides post issuance services including arbitrage rebate and treasury management. The Firm's arbitrage team verifies rebate and yield restrictions on the investments of bond proceeds on behalf of clients in order to meet IRS restrictions. The treasury management division performs portfolio management/advisor services on behalf of public sector clients. The Firm, through affiliate Hilltop Securities Asset Management (HSAM), provides a multi-employer trust tailor-made for public entities which allows them to prefund Other Post-Employment Benefit liabilities. The Firm has a structured products desk that provides advice to help clients mitigate risk though investment management, debt management and commodity price risk management products. These products consist of but are not limited to swaps (interest rate, currency, commodity), options, repos, escrow structuring and other securities. Continuing Disclosure services provided by the Firm work with issuers to assist them in meeting disclosure requirements set forth in SEC rule 15c2-12. Services include but are not limited to ongoing maintenance of issuer compliance, automatic tracking of issuer's annual filings and public notification of material events. The Firm administers government investment pools. These programs offer governmental entities investment options for their cash management programs based on the entities specific needs. The Firm and the aforementioned affiliate's business with a client could create an incentive for the Firm to recommend to a client a course of action designed to increase the level of a client's business activities with the affiliates or to recommend against a course of action that would reduce or eliminate a client's business activities with the affiliates. This potential conflict is mitigated by the fact that the Firm and affiliates are subject to their own comprehensive regulatory regimes.

II. PlainsCapital Bank Affiliate Conflict. The Firm, directly and through affiliated companies, provides or may provide services/advice/products to or on behalf of clients that are related to the Firm's advisory activities within the Scope of Services outlined in the Agreement. Affiliate, PlainsCapital Bank, provides banking services to municipalities including loans and custody. The Firm and the aforementioned affiliate's business with a client could create an incentive for the Firm to recommend to a client a course of action designed to increase the level of a client's business activities with the affiliates or to recommend against a course of action that would reduce or eliminate a client's business activities with the affiliates. This potential conflict is mitigated by the fact that the Firm and affiliates are subject to their own comprehensive regulatory regimes.

III. Other Municipal Advisor or Underwriting Relationships. The Firm serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of Client. For example, the Firm serves as municipal advisor to other municipal advisory clients and, in such cases, owes a regulatory duty to such other clients just as it does to Client. These other clients may, from time to time and depending on the specific circumstances, have competing interests, such as accessing the new issue market with the most advantageous timing and with limited competition at the time of the offering. In acting in the interests of its various clients, the Firm could potentially face a conflict of interest arising from these competing client interests. In other cases, as a broker-dealer that engages in underwritings of new issuances of municipal securities by other municipal entities, the interests of the Firm to achieve a successful and profitable underwriting for its municipal entity underwriting clients could potentially constitute a conflict of interest if, as in the example above, the municipal entities that the Firm serves as underwriter or municipal advisor have competing interests in seeking to access the new issue market with the most advantageous timing and with limited competition at the time of the offering. None of these other engagements or relationships would impair the Firm's ability to fulfill its regulatory duties to Client.

IV. Secondary Market Transactions in Client's Securities. The Firm, in connection with its sales and trading activities, may take a principal position in securities, including securities of Client, and therefore the Firm could have interests in conflict with those of Client with respect to the value of Client's securities while held in inventory and the levels of mark-up or mark-down that may be available in connection with purchases and sales thereof. In particular, the Firm or its affiliates may submit orders for and acquire Client's securities issued in an Issue under the Agreement from members of the underwriting syndicate, either for its own account or for the accounts of its customers. This activity may result in a conflict of interest with Client in that it could create the incentive for the Firm to make recommendations to Client that could result in more advantageous pricing of Client's bond in the marketplace. Any such conflict is mitigated by means of such activities being engaged in on customary terms through units of the Firm that operate independently from the Firm's municipal advisory business, thereby reducing the likelihood that such investment activities would have an impact on the services provided by the Firm to Client under this Agreement.

V. Broker-Dealer and Investment Advisory Business. The Firm is dually registered as a broker-dealer and an investment advisor that engages in a broad range of securities-related activities to service its clients, in addition to serving as a municipal advisor or underwriter. Such securities-related activities, which may include but are not limited to the buying and selling of new issue and outstanding securities and investment advice in connection with such securities, including securities of Client, may be undertaken on behalf of, or as counterparty to, Client, personnel of Client, and current or potential investors in the securities of Client. These other clients may, from time to time and depending on the specific circumstances, have interests in conflict with those of Client, such as when their buying or selling of Client's securities may have an adverse effect on the market for Client's securities, and the interests of such other clients could create the incentive for the Firm to make recommendations to Client that could result in more advantageous pricing for the other clients. Furthermore, any potential conflict arising from the firm effecting or otherwise assisting such other clients in connection with such transactions is mitigated by means of such activities being engaged in on customary terms through units of the Firm that operate independently from the Firm's municipal advisory business, thereby reducing the likelihood that the interests of such other clients would have an impact on the services provided by the Firm to Client.

VI. <u>Compensation-Based Conflicts</u>. Fees that are based on the size of the issue are contingent upon the delivery of the Issue. While this form of compensation is customary in the municipal securities market, this may present a conflict because it could create an incentive for the Firm to recommend unnecessary financings or financings that are disadvantageous to Client, or to advise Client to increase the size of the issue. This conflict of interest is mitigated by the general mitigations described above.

Fees based on a fixed amount are usually based upon an analysis by Client and the Firm of, among other things, the expected duration and complexity of the transaction and the Scope of Services to be performed by the Firm. This form of compensation presents a potential conflict of interest because, if the transaction requires more work than originally contemplated, the Firm may suffer a loss. Thus, the Firm may recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. This conflict of interest is mitigated by the general mitigations described above.

Hourly fees are calculated with, the aggregate amount equaling the number of hours worked by Firm personnel times an agreed-upon hourly billing rate. This form of compensation presents a potential conflict of interest if Client and the Firm do not agree on a reasonable maximum amount at the outset of the engagement, because the Firm does not have a financial incentive to recommend alternatives that would result in fewer hours worked. This conflict of interest is mitigated by the general mitigations described above.

<u>PART B – Disclosures of Information Regarding Legal Events and Disciplinary History</u>

MSRB Rule G-42 requires that municipal advisors provide to their clients certain disclosures of legal or disciplinary events material to its client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel.

Accordingly, the Firm sets out below required disclosures and related information in connection with such disclosures.

I. <u>Material Legal or Disciplinary Event</u>. The Firm discloses the following legal or disciplinary events that may be material to Client's evaluation of the Firm or the integrity of the Firm's management or advisory personnel:

- For related disciplinary actions please refer to the Firm's BrokerCheck webpage.
- From July 2011 to October 2015, Hilltop failed to submit required MSRB Rule G-32 information to EMMA in connection with 122 primary offerings of municipal securities for which the Firm

served as placement agent. During the period January 2012 to September 2015, the Firm failed to provide MSRB Rule G-17 letters to issuers in connection with 119 of the 122 offerings referenced above. From October 2014 to September 2015, the Firm failed to report on Form MSRB G-37 that it had engaged in municipal securities business as placement agent for 45 of these 122 offerings. This failure was a result of a misunderstanding by one branch office of Southwest Securities. Hilltop discovered these failures during the merger of FirstSouthwest and Southwest Securities and voluntarily reported them to FINRA. The Firm paid a fine of $100,000 for these self-reported violations.

- In connection with a settlement on July 9, 2021, the U.S. Securities and Exchange Commission found that, between January 2016 and April 2018, the Firm bought municipal bonds for its own account from another broker-dealer and that, on occasion during that time period, the other broker-dealer mischaracterized the Firm's orders when placing them with the lead underwriter. The SEC found that, among other things, the Firm lacked policies and procedures with respect to how stock orders were submitted for new issues bonds to third parties, including the broker-dealer that mischaracterized the Firm's orders. The SEC found violations of MSRB Rules G-27, G-17, and SEC rule 15B(c)(1) and a failure to reasonably supervise within the meaning of Section 15(b)(4)(E) of the Securities Exchange Act of 1934. The Firm was censured and ordered to pay disgorgement of $206,606, prejudgment interest of $48,587 and a penalty of $85,000.

- On August 14, 2024, the Securities and Exchange Commission ("SEC") entered into a settlement order with Hilltop Securities Inc. ("Hilltop") to settle an administrative action finding that Hilltop failed to (1) maintain and preserve off-channel communications related to Hilltop's broker-dealer business, as well as related to recommendations made or proposed to be made and advice given or proposed to be given with respect to Hilltop's investment advisory business; and (2) reasonably supervise its personnel with a view to preventing or detecting certain of its personnel's aiding and abetting violations of certain provisions of the federal securities laws. Hilltop admitted to the facts in the settlement order, acknowledged its conduct violated the federal securities laws, and agreed to: (a) a cease-and-desist order, (b) a censure, (c) payment of a civil monetary penalty in the amount of $1,600,000, and (d) certain undertakings related to the retention of electronic communications.

II. <u>How to Access Form MA and Form MA-I Filings</u>. The Firm's most recent Form MA and each most recent Form MA-I filed with the SEC are available on the SEC's EDGAR system at Forms MA and MA-I. The SEC permits certain items of information required on Form MA or MA-I to be provided by reference to such required information already filed by the Firms in its capacity as a broker-dealer on Form BD or Form U4 or as an investment adviser on Form ADV, as applicable. Information provided by the Firm on Form BD or Form U4 is publicly accessible through reports generated by BrokerCheck at http://brokercheck.finra.org/, and the Firm's most recent Form ADV is publicly accessible at the Investment Adviser Public Disclosure website at http://www.adviserinfo.sec.gov/. For purposes of accessing such BrokerCheck reports or Form ADV, click previous hyperlinks.

PART C – MSRB Rule G-10 Disclosure

MSRB Rule G-10 covers Investor and Municipal Advisory Client education and protection. This rule requires that municipal advisors make certain disclosures to all municipal advisory clients. This communication is a disclosure only and does not require any action on your part. The disclosures are noted below.

1. Hilltop Securities Inc. is registered with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board as a Municipal Advisor.
2. You can access the website for the Municipal Securities Rulemaking Board at www.msrb.org
3. The Municipal Securities Rulemaking Board has posted a municipal advisory client brochure. A copy of the brochure is attached to the memo. This link will take to you to the electronic version MA_Client_Brochure

PART D – Future Supplemental Disclosures

As required by MSRB Rule G-42, this Municipal Advisor Disclosure Statement may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflicts of interest described above, or to provide updated information with regard to any legal or disciplinary events of the Firm. The Firm will provide Client with any such supplement or amendment as it becomes available throughout the term of the Agreement.

HilltopSecurities
Investment Banking Solutions

Andre Ayala
Managing Director
Public Finance

June 24, 2026

Starbase Economic Development Corporation
Attn: Mr. Max Levin, Executive Director
39046 LBJ Blvd. Unit 2
Starbase, Texas 78521

Re: Starbase Economic Development Corporation (the "SEDC")
Series 2026 Spaceport Bonds

This letter is to acknowledge that the Municipal Advisory Services fee rendered by Hilltop Securities Inc. related to the sale and delivery of the first series of bonds issued pursuant to SEDC Resolution 2026-10 (the "Series 2026 Spaceport Bonds") will be $30,000 plus applicable and documented expenses pursuant Appendix B of the Municipal Advisory Agreement to be considered by the SEDC Board of Directors. This fee shall be for Municipal Advisory Services related only to the sale of the Series 2026 Spaceport Bonds.

Sincerely yours,

Andre Ayala
Managing Director

cc: Mr. Nick Bulaich – Firm
Mr. Gavriel Schreiber – Spencer Fane LLP

Hilltop Securities Inc.
717 N. Harwood Street
Suite 3400
Dallas, Texas 75201

direct 214.953.4184
andre.ayala@hilltopsecurities.com
HilltopSecurities.com

D.3

INDEPENDENT CONTRACTOR AGREEMENT

(Executive Director Services)

Starbase Economic Development Corporation

This Independent Contractor Agreement (this "Agreement") is entered into by and between the Starbase Economic Development Corporation, a Type B economic development corporation organized under the Development Corporation Act, Subtitle C1, Title 12, Texas Local Government Code (including Chapters 501 and 505), and a duly constituted authority and instrumentality of the City of Starbase, Texas, with its principal office at 39046 LBJ Blvd, Unit 02, Starbase, TX 78521 (the "Corporation" or "SEDC"), and Fast Break Global LLC, a Texas limited liability company, with its principal place of business at 2436 Pablo Kisel Blvd #1134, Brownsville, TX 78526 ("Contractor"). The Corporation and Contractor are each a "Party" and together the "Parties." This Agreement is effective as of this 27 day of August, 2026. (the "Effective Date").

RECITALS

WHEREAS, the Corporation is authorized under its Certificate of Formation, its Bylaws, and the Development Corporation Act to contract for services necessary or convenient to carry out its corporate purposes; and

WHEREAS, Section 3.03 of the Bylaws provides for an Executive Director who has general and active management of the business of the Corporation, provides administrative and staff support to the Corporation, facilitates achievement of the Corporate goals and purposes set by the Board of Directors (the "Board"), and serves as a non-voting, ex officio member of the Board; and

WHEREAS, by Resolution No. 2026-04, adopted May 16, 2026, the Board appointed Max Levin as Executive Director of the Corporation, effective immediately, with the rights, duties, and authorities set forth in the Bylaws, and authorized the Board President to negotiate and execute such agreements as necessary or appropriate to effectuate the Executive Director's service; and

WHEREAS, the Board, after further consideration and given the nature and scope of the Executive Director's work, has found that his services are more efficiently and effectively engaged as an independent contractor rather than as an employee, and are best engaged through Fast Break Global LLC, a Texas limited liability company through which Max Levin provides services, provided that Max Levin individually shall serve as and perform the duties of Executive Director; and

WHEREAS, by Resolution No. 2026-14 adopted August 27, 2026, the Board authorized the Board President to negotiate and execute this Agreement with Contractor for the Executive Director services of Max Levin, in lieu of the employment agreement authorized by Resolution No. 2026-04 (together, the "Authorizing Resolutions"); and

WHEREAS, as required by Section 4.03 of the Bylaws, any agreement committing Corporation funds or resources is subject to authorization and approval by the City of Starbase (the "City") City Commission prior to execution, and the City Commission authorized this agreement by action taken on the day of September 4, 2026; and

WHEREAS, the Parties intend that Contractor be retained as an independent contractor, and not as an employee, of the Corporation or of the City; and

WHEREAS, Max Levin has served as and performed the duties of Executive Director since his appointment, and the Parties intend that this Agreement govern those Services and acknowledge and ratify the Services rendered before the Effective Date;

NOW, THEREFORE, in consideration of the mutual covenants and promises herein, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

ARTICLE 1. ENGAGEMENT AND SERVICES

1.1 Engagement. The Corporation engages Contractor, and Contractor accepts the engagement, to provide the executive director services described in Exhibit A (the "Services").

1.2 Designated Principal; Key Person. Contractor shall perform the Services through Max Levin (the "Designated Principal"), who shall serve as the Corporation's Executive Director. Contractor shall not assign, delegate, or substitute the Designated Principal without the

Board's prior written consent. This Agreement is personal to Contractor by reason of the Designated Principal's qualifications.

1.3 Ex Officio Board Service. The Parties acknowledge that, under Section 3.03 of the Bylaws, the Executive Director serves as a non-voting, ex officio member of the Board. The Designated Principal's participation in that capacity is part of the Services, confers no vote and no additional compensation, and does not alter Contractor's status as an independent contractor. All final and official actions of the Corporation may be taken only by the Board.

1.4 Standard of Performance. Contractor shall perform the Services in a competent, professional, ethical, and diligent manner consistent with the standard of care of experienced economic-development professionals, and in compliance with the Corporation's Certificate of Formation, Bylaws, adopted policies (including its purchasing, investment, and ethics policies), the Authorizing Resolutions, and all applicable law.

1.5 Authority. Contractor, through the Designated Principal serving as Executive Director, shall have and may exercise the authority granted to the Executive Director by the Bylaws and delegated by the Board from time to time, and shall exercise that authority in the manner the Contractor determines appropriate to achieve the goals, objectives, and projects the Board designates. Contractor's authority is limited only as provided in the Bylaws and applicable law, including that commitments of Corporation funds and the execution of instruments requiring Board action must receive Board approval, and any authorization required by applicable law, including authorization from the City Commission of the City of Starbase, before they are binding on the Corporation.

1.6 Open Government Compliance. Contractor acknowledges that the Corporation is subject to the Texas Open Meetings Act (Chapter 551, Texas Government Code) and the Texas Public Information Act (Chapter 552, Texas Government Code). Contractor shall support the Corporation's compliance, including the timely preparation and posting of meeting notices, agendas, and materials, the maintenance of corporate records in coordination with the City Secretary and the City Finance Department, and cooperation with public information requests, at no additional cost to the Corporation.

1.7 Required Training. As directed by Resolution No. 2026-04, Contractor shall cause the Designated Principal, in his capacity as Executive Director, to complete, if not already completed, an economic development training seminar satisfying Section 501.074 of the

Texas Local Government Code within ninety (90) days after his appointment and at least once every two years thereafter, together with any other training required of the Executive Director under Texas law (including, as applicable, Open Meetings Act, Public Information Act, and records-management training), and to provide documentation of completion to the Board and the City.

ARTICLE 2. INDEPENDENT CONTRACTOR STATUS

2.1 Independent Contractor Relationship. Contractor is an independent contractor. Neither Contractor nor the Designated Principal is an employee, servant, partner, or joint venturer of the Corporation or the City, or an agent of either except to the limited and revocable extent expressly authorized by the Board. The Parties have structured this engagement as an independent-contractor relationship as a material term of this Agreement, consistent with the Board's finding in the Authorizing Resolutions, and each Party shall report, treat, and characterize the relationship accordingly for tax and all other purposes.

2.2 Control of the Work. The Corporation is interested in the results of the Services. Contractor alone shall determine the means, methods, manner, sequence, and details of performing the Services and shall set its own hours and schedule. The Board may establish and communicate goals, objectives, performance expectations, and the projects to be pursued, and may evaluate Contractor's results; the Board does not and shall not control, direct, or supervise the manner or means by which Contractor achieves those results, and Contractor is not subject to the Corporation's supervision as to how the Services are performed.

2.3 Tools, Equipment, and Facilities. Contractor shall furnish, at its own expense, the equipment, tools, supplies, and other resources necessary to perform the Services. The Corporation may, in its sole discretion and solely for its own convenience, make office space, systems, records, or other facilities available to Contractor, but has no obligation to do so, and any such accommodation shall not alter Contractor's status as an independent contractor.

2.4 No Employee Benefits. Neither Contractor nor any of its personnel is entitled to wages, salary, overtime, paid leave, health or retirement benefits, workers' compensation, unemployment compensation, or any other benefit the Corporation or the City provides to its employees.

2.5 Taxes. Contractor is solely responsible for all federal, state, and local taxes arising from amounts paid under this Agreement, including income and self-employment taxes, and for any employment, withholding, and payroll taxes for Contractor's own personnel. The Corporation will not withhold taxes and will report payments on IRS Form 1099 as required.

2.6 Contractor's Personnel. Contractor is solely responsible for the selection, compensation, supervision, and compliance with law and with this Agreement of any individual Contractor uses to perform the Services, including the Designated Principal.

2.7 Non-Exclusivity; Profit and Loss. Contractor, including without limitation the Designated Principal, is free to provide services to other clients and is not required to devote its full time to, or work exclusively for, the Corporation, provided that no other engagement conflicts with this Agreement or is adverse to the Corporation. Contractor bears the opportunity for profit and the risk of loss in performing the Services.

ARTICLE 3. TERM AND TERMINATION

3.1 Term. This Agreement begins on the Effective Date and continues on a month-to-month basis until terminated as provided in this Article.

3.2 Termination for Convenience. Either Party may terminate this Agreement, with or without cause and for any or no reason, upon thirty (30) days' prior written notice to the other Party.

3.3 Termination for Cause. The Corporation may terminate this Agreement immediately upon written notice for: (a) a material breach not cured within ten (10) days after written notice; (b) the death, disability, or unavailability of the Designated Principal, or Contractor's substitution of the Designated Principal without consent; (c) fraud, dishonesty, misappropriation, or willful misconduct; or (d) a violation of law or of the Corporation's ethics or conflict-of-interest requirements.

3.4 Effect of Termination. Upon termination, Contractor shall be entitled to payment only for Services properly performed and reimbursable expenses properly incurred through the effective date of termination, and shall have no claim for any further compensation. Contractor shall promptly deliver to the Corporation all corporate records, files, funds, property, and work product in Contractor's possession or control.

3.5 Transition. Contractor shall reasonably cooperate in the orderly transition of the Corporation's operations, records, and pending matters to the Corporation or its designee.

3.6 Non-Appropriation. Any termination or suspension resulting from non-appropriation under Article 4 is not a breach by the Corporation and creates no liability of the Corporation beyond amounts payable for Services rendered before the effective date of termination or suspension.

3.7 Acknowledgment and Ratification of Prior Services. The Corporation acknowledges and hereby approves, adopts, and ratifies the Services performed by Max Levin from Max Levin's appointment through the Effective Date, and agrees that the terms of this Agreement govern and apply to those Services as though this Agreement had been in effect during that period. Notwithstanding the foregoing, Contractor shall not invoice the Corporation for any Services rendered prior to the Effective Date.

ARTICLE 4. COMPENSATION

4.1 Fees. The Corporation shall pay Contractor one hundred and ten dollars ($110.00) per hour for Services performed.

4.2 Expected Level of Effort. The Parties anticipate that the Services will require approximately twenty (25) hours per week on average, with some weeks requiring more and some weeks less. This is an expectation only; it does not establish a minimum or maximum, a fixed schedule, or required hours, and Contractor determines its own schedule and hours.

4.3 Invoicing and Payment. Contractor shall submit monthly itemized invoices describing the Services performed, the dates and hours worked, and any reimbursable expenses. The

Corporation shall pay undisputed amounts within thirty (30) days after receipt and approval of a conforming invoice.

4.4 Expenses. The Corporation shall reimburse the actual cost of reasonable, documented, out-of-pocket expenses that are pre-approved and incurred in performing the Services, in accordance with the Corporation's policies.

4.5 Sole Compensation. The fees and reimbursements under this Article are Contractor's sole compensation for the Services.

4.6 Subject to Appropriation. The Corporation's payment obligations are subject to appropriation and/or the lawful availability of funds, and to any authorization required by applicable law.

ARTICLE 5. CONFLICTS OF INTEREST AND ETHICS

5.1 Applicable Standards. Contractor and the Designated Principal shall comply with the conflict-of-interest requirements applicable to the Corporation and its transactions, including Chapter 22 of the Texas Business Organizations Code and, to the extent applicable, Chapters 171 and 176 of the Texas Local Government Code.

5.2 Disclosure; Conflicts Questionnaire. Contractor shall determine whether it is required to file a Conflicts of Interest Questionnaire (Form CIQ) under Chapter 176 of the Texas Local Government Code, shall timely file and update any required disclosure, and shall promptly disclose to the Board in writing any actual or potential conflict of interest of which it becomes aware.

5.3 No Self-Dealing. Contractor shall not use its position or the Services to obtain any improper personal or financial benefit, and shall not act on behalf of the Corporation in any matter in which Contractor or the Designated Principal has a substantial interest, except as permitted by law following any required disclosure and recusal.

ARTICLE 6. CONFIDENTIALITY AND PUBLIC INFORMATION

6.1 Confidential Information. In performing the Services, Contractor will have access to non-public, proprietary, or sensitive information of the Corporation, including financial and budgetary information; prospective-project, business-recruitment, and site-selection information; negotiating positions and strategies; incentive, real-estate, and economic-development analyses; personnel information; information subject to statutory confidentiality; and information received under a duty of confidence (collectively, “Confidential Information”). Contractor shall (a) hold Confidential Information in strict confidence; (b) use it solely to perform the Services and for the Corporation’s benefit; (c) not disclose it to any third party except as authorized by the Board or required by law; and (d) protect it with at least the degree of care Contractor uses for its own confidential information. Confidential Information does not include information that is or becomes public through no fault of Contractor, or that Contractor lawfully possessed free of any duty of confidence. Upon termination or the Corporation’s request, Contractor shall return or destroy all Confidential Information in its possession or control, subject to Section 6.2 and applicable records-retention law. These obligations bind Contractor’s personnel, and Contractor is responsible for their compliance.

6.2 Public Information Act. Contractor’s confidentiality obligations are subject to the Texas Public Information Act and do not limit the Corporation’s disclosure of information as required by law. Contractor shall cooperate, at no additional cost, in the Corporation’s response to public information requests.

6.3 Survival. This Article survives termination of this Agreement.

ARTICLE 7. WORK PRODUCT AND RECORDS

7.1 Ownership of Work Product. All documents, data, studies, reports, plans, and other work product prepared by Contractor in performing the Services are works made for hire and the exclusive property of the Corporation. To the extent any such work product does not qualify as a work made for hire, Contractor irrevocably assigns to the Corporation all right, title, and interest in and to it.

7.2 Corporate Records. All records of the Corporation created, received, or maintained by Contractor belong to the Corporation, constitute public records subject to the Texas Public

Information Act and applicable records-retention requirements, and shall be maintained and surrendered as the Corporation directs.

ARTICLE 8. INSURANCE

8.1 Insurance. If and to the extent the Board reasonably requires, Contractor shall obtain and maintain, at its own expense, insurance of the types and in the amounts the Board specifies, and shall furnish certificates evidencing that coverage. If Contractor has employees, Contractor shall maintain workers' compensation insurance to the extent required by law.

ARTICLE 9. INDEMNIFICATION; IMMUNITY

9.1 Indemnification by Contractor. To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the Corporation and its directors, officers, employees, and agents from and against all claims, demands, damages, losses, liabilities, and expenses (including reasonable attorneys' fees and costs) to the extent arising out of or resulting from the gross negligence, willful misconduct, fraud, or knowing violation of law of Contractor or its personnel in performing, or failing to perform, the Services.

9.2 No Indemnification by the Corporation. The Corporation shall not indemnify, defend, or hold harmless Contractor or any third party. Any provision purporting to require the Corporation to indemnify Contractor is void as against public policy and inconsistent with the framework governing governmental liability under Texas law.

9.3 No Waiver of Immunity. Nothing in this Agreement waives, or shall be construed to waive, any governmental, sovereign, or official immunity, or any defense, protection, or limitation of liability, to which the Corporation, the City, or their officials may be entitled under law, including the Development Corporation Act and the Texas Tort Claims Act.

ARTICLE 10. STATUTORY CERTIFICATIONS AND COMPLIANCE

10.1 Certificate of Interested Parties (Form 1295). Contractor shall, before execution, file a completed Certificate of Interested Parties (Texas Ethics Commission Form 1295) through the TEC electronic filing system and provide the Corporation with the TEC acknowledgment number, as required by Section 2252.908 of the Texas Government Code. TEC Acknowledgment No. 2026-1504915 .

10.2 Anti-Boycott and Nondiscrimination Certifications. To the extent applicable to this Agreement under Texas law, Contractor certifies that it does not, and during the term will not, boycott Israel, (Chapter 2271, Texas Government Code) or discriminate against a firearm entity or firearm trade association, or boycott energy companies (Chapter 2274, Texas Government Code).

10.3 Iran, Sudan, and Foreign Terrorist Organizations. Contractor certifies that it is not identified on a list maintained by the Texas Comptroller under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code as engaging in business with Iran, Sudan, or a foreign terrorist organization.

10.4 Employment Eligibility. Contractor shall verify, using the federal E-Verify system or an equivalent, the employment eligibility of all personnel assigned to perform Services in Texas, and shall retain documentation of such verification.

10.5 Compliance with Law. Contractor shall comply with all applicable federal, state, and local laws, rules, and regulations in performing the Services.

ARTICLE 11. GENERAL PROVISIONS

11.1 Governing Law; Venue. This Agreement is governed by the laws of the State of Texas, without regard to conflicts-of-laws principles. Exclusive venue for any action arising out of or relating to this Agreement lies in the state and federal courts located in Cameron County, Texas, and Contractor consents to the personal jurisdiction of those courts.

11.2 No Assignment. Contractor shall not assign or delegate this Agreement or the Services, or substitute the Designated Principal, without the Corporation's prior written consent. Any prohibited assignment is void.

11.3 No Third-Party Beneficiaries. There are no third-party beneficiaries of this Agreement.

11.4 Notices. All notices must be in writing and delivered by hand, certified mail (return receipt requested), nationally recognized overnight courier, or email, to the addresses stated below (or as later updated in writing). Notice is effective upon receipt or, for email, upon confirmed transmission during normal business hours.

Notice addresses:

Bobby Peden, Board President Bobby.peden@starbase.texas.gov **Cayetana Polanco, City Administrator** Cayetana.polanco@starbase.texas.gov 39046 LBJ Blvd, Unit 02, Starbase, TX 78521	**Max Levin** Max.Levin.FBG@outlook.com 2436 Pablo Kisel Blvd #1134, Brownsville, TX 78526
COPY: **Caleb Rush, City Attorney** Crush@sencerfane.com 5700 Granite Parkway Suite 650 Plano, TX 75024-6622	

11.5 Entire Agreement; Amendments. This Agreement, including its Exhibits, is the entire agreement of the Parties as to its subject matter and supersedes all prior negotiations and understandings, whether oral or written. It may be amended only by a written instrument signed by both Parties and, where required, approved by the Board and authorized by the City Commission.

11.6 Severability. If any provision of this Agreement is held invalid or unenforceable, the remaining provisions remain in full force and effect.

11.7 No Waiver. No failure or delay in exercising any right under this Agreement operates as a waiver, and no waiver is effective unless in writing and signed by the waiving Party.

11.8 Counterparts; Electronic Signatures. This Agreement may be executed in counterparts, including by electronic signature and by electronically transmitted copies, each of which is an original and all of which together constitute one instrument.

11.9 Survival. Section 3.7 (Acknowledgment and Ratification of Prior Services), Article 6 (Confidentiality and Public Information), Article 7 (Work Product and Records), Article 9 (Indemnification; Immunity), and any provision that by its nature should survive, survive termination of this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the Effective Date.

STARBASE ECONOMIC DEVELOPMENT CORPORATION

Signed by:

By: ______________________

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Name: Bobby Peden

Title: President, Board of Directors

Date: 8/28/2026

CONTRACTOR: FAST BREAK GLOBAL LLC

Signed by:

By: Max Levin

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Name: Max Levin

Title: Executive Director

Date: 9/1/2026

ATTEST:

Signed by:

By: Camille Bagnall

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Camille Bagnall, Secretary, Starbase Economic Development Corporation

EXHIBIT A

SCOPE OF SERVICES — EXECUTIVE DIRECTOR AND MANAGEMENT SERVICES

Contractor, through the Designated Principal serving as Executive Director, shall provide the following Services, pursuing the goals, objectives, and projects the Board designates and achieving them in the manner and by the methods the Contractor determines appropriate:

- General and active management of the business and day-to-day operations of the Corporation, consistent with Section 3.03 of the Bylaws;
- Providing, and arranging for, administrative and staff support services necessary for the Corporation's operations;
- Carrying out the programs of the Corporation and the authorized "Projects" designated by the Board, as defined in the Development Corporation Act and the Certificate of Formation, consistent with the powers of a Type B corporation;
- Preparing and posting Board meeting notices, agendas, and supporting materials in compliance with the Texas Open Meetings Act, and maintaining corporate records in coordination with the City Secretary;
- Assisting in preparing the Corporation's proposed annual budget and coordinating the annual independent audit;
- Business recruitment, retention, and expansion; project development; and administration of incentives and agreements consistent with authorized Type B projects and applicable law;
- Stakeholder, community, and intergovernmental coordination on behalf of the Corporation;
- Regularly reporting to the Board on the Corporation's activities, finances, and pending matters;
- Completing the economic development training required by Section 501.074 of the Texas Local Government Code (if not already completed) within ninety (90) days after appointment and at least once every two years thereafter, and providing documentation to the Board and the City (Resolution No. 2026-04); and

- Pursuing such other goals, objectives, and projects as the Board may designate from time to time, in the manner the Contractor determines appropriate.

The Board designates the goals, objectives, and projects to be pursued and evaluates results; it does not control the manner or means by which Contractor performs the Services. Nothing in this Exhibit authorizes Contractor to bind the Corporation except as provided in Section 1.5.

EXHIBIT B

COMPENSATION

Hourly Rate	$110.00 per hour
Expected Level of Effort	Approximately 25 hours per week on average, with some weeks more and some less; Contractor sets its own schedule (Section 4.2)
Invoicing	Monthly, itemized; payment of undisputed amounts within 30 days of approval
Reimbursable Expenses	Pre-approved, documented, out-of-pocket; no markup
Appropriation	Subject to appropriation and the lawful availability of funds; City Commission authorization only if required by applicable law (Section 4.6)

STARBASE

ECONOMIC DEVELOPMENT CORPORATION

F.1

CITY OF STARBASE, TEXAS
RESOLUTION NO. 2026-23
A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF STARBASE, TEXAS APPOINTING A MEMBER TO THE BOARD OF DIRECTORS OF THE STARBASE ECONOMIC DEVELOPMENT CORPORATION TO FILL A VACANCY; PROVIDING FOR SEVERABILITY, REPEALER, AND AN EFFECTIVE DATE.

WHEREAS, the Starbase Economic Development Corporation (the "Corporation" or "EDC") is a Type B economic development corporation created by the City of Starbase, Texas, and is governed primarily by the Development Corporation Act, Chapters 501 through 505 of the Texas Local Government Code, as amended; and

WHEREAS, the business and affairs of the Corporation are managed by a seven (7) member Board of Directors, whose members are appointed by the City Commission of the City of Starbase, with each Director serving a two (2) year term at the pleasure of the City Commission; and

WHEREAS, in accordance with the Corporation's Bylaws and applicable state law, the City Commission is authorized to appoint members to the Board of Directors, each to serve a two (2) year term, and to fill vacancies on the Board; and

WHEREAS, a vacancy has occurred on the Board of Directors of the Corporation as a result of the resignation of Parker Buntin, which the City Commission now intends to fill; and

WHEREAS, the City Commission finds that Haley Ruvalcaba is qualified to serve as a member of the Board of Directors and satisfies the residency and eligibility requirements set forth in the Bylaws and applicable law.

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

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

SECTION 2. Acceptance of Resignation. The City Commission of the City of Starbase hereby accepts the resignation of Parker Buntin from the Board of Directors of the Starbase Economic Development Corporation.

SECTION 3. Appointment. The City Commission of the City of Starbase hereby appoints Haley Ruvalcaba as a member of the Board of Directors of the Starbase Economic

Development Corporation to fill the vacancy created by the resignation described above, to serve a two (2) year term from the date of appointment, expiring September 4, 2028.

SECTION 4. Severability. It is hereby declared to be the intention of the City Commission that the sections, paragraphs, sentences, clauses and phrases of this Resolution are severable, and if any phrase, clause, sentence, paragraph or section of this Resolution shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Resolution, since the same would have been enacted by the City Commission without the incorporation in this Resolution of any such unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 5. Repealer. This Resolution shall be cumulative of all provisions of all resolutions of the City of Starbase, as amended, and shall not repeal any of the provisions of such resolutions, except in those instances where provisions of such resolutions are in direct conflict with the provisions of this Resolution.

SECTION 6. Engrossment/Enrollment. The City Clerk is hereby directed to enroll and engross this Resolution by reflecting the passage of this Resolution in the minutes of the City Commission and by filing this Resolution in the Resolution Records of the City.

SECTION 7. Effective Date. This Resolution shall become effective immediately upon its passage.

PASSED AND APPROVED BY THE CITY COMMISSION OF THE CITY OF STARBASE, TEXAS, on this the 4th day of September, 2026.

CITY OF STARBASE, TEXAS

____

Bobby Peden, Mayor

ATTEST:

____

Keila Tuttle, Acting City Clerk

APPROVED AS TO FORM:

____

Caleb Rush, City Attorney

F.2

CITY OF STARBASE, TEXAS

ORDINANCE NO. 2026-23

AN ORDINANCE OF THE CITY OF STARBASE, TEXAS, SETTING, FIXING, AND APPROVING THE 2026 CERTIFIED PROPERTY TAX ROLLS FOR THE CITY OF STARBASE AND LEVYING TAXES AND ADOPTING THE AD VALOREM TAX RATE ON TAXABLE PROPERTY WITHIN THE CITY LIMITS OF THE CITY OF STARBASE FOR TAX YEAR 2026 AT THE RATE OF $0.800000PER ONE HUNDRED DOLLARS ($100.00) ASSESSED VALUE; PROVIDING THAT THIS TAX RATE WILL EFFECTIVELY RAISE TAXES FOR MAINTENANCE AND OPERATIONS BY 3.21 PERCENT OVER THE NO-NEW-REVENUE TAX RATE; PROVIDING APPLICATION OF TAXES COLLECTIBLE; PROVIDING FOR SEVERABILITY AND REPEALER; PROVIDING FOR ENGROSSMENT AND ENROLLMENT OF THIS ORDINANCE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Starbase ("City") is a Type C General Law Municipality, with Type A powers, located in Cameron County, Texas; and

WHEREAS, the Cameron Appraisal District has provided the City with the 2026 certified tax roll, reflecting a net taxable value of $1,188,024,763.00, and the City's designated officer has calculated a no-new-revenue tax rate of $0.775093 and a voter-approval tax rate of $0.803732, each per $100 of taxable value, for tax year 2026, in accordance with Chapter 26 of the Texas Tax Code; and

WHEREAS, on August 19, 2026, the City Commission adopted the City's budget for fiscal year 2026-2027 by Ordinance No. 2026-22, and by resolution acknowledged and ratified that the budget will raise $5,268,710.00 (123.15%) more property tax revenue than the prior fiscal year, of which $5,118,972.00 is attributable to new property, in accordance with Section 102.007 of the Local Government Code; and

WHEREAS, also on August 19, 2026, following a record vote of 3-0 (Mayor Peden, Commissioner Buss, and Commissioner Wallace voting in favor), the City Commission proposed a tax rate of $0.803732 per $100 of taxable value for tax year 2026, called a public hearing on the proposed rate, and directed publication of notice as required by Section 26.06 of the Texas Tax Code; and

WHEREAS, notice of the public hearing was published in the Brownsville Herald on August 22, 2026, and posted on the City's website (https://starbase.texas.gov), as required by Section 26.06 of the Texas Tax Code, and the City Commission held the required public hearing on September 4, 2026, at 7:00 PM at Starbase City Hall, 48491 State Highway 4, Starbase, Texas 78521, at which all interested persons were given the opportunity to appear and be heard; and

WHEREAS, after due consideration and the public hearing, the Commission has determined to adopt a tax rate of $0.800000per $100 of taxable value; and

WHEREAS, the tax rate adopted by this Ordinance of $0.800000per $100 of taxable value is less than the proposed tax rate of $0.803732 proposed by the commission and stated in the published notice, exceeds the no-new-revenue tax rate but does not exceed the voter-approval tax rate calculated for tax year 2026, so no election to ratify the tax rate is required under Chapter 26 of the Texas Tax Code; and

WHEREAS, the City has no outstanding debt secured by ad valorem taxes for tax year 2026, and the tax rate adopted by this Ordinance is therefore levied entirely for maintenance and operations purposes; and

WHEREAS, all statutory and constitutional requirements for the passage of this Ordinance, including the Open Meetings Act, have been met, and the City Commission is of the opinion that the tax rate set, fixed, and adopted herein below is proper; and

WHEREAS, the vote to adopt this Ordinance is a separate record vote from the vote by which the City Commission adopted the City's budget on August 19, 2026, as required by Section 26.05(b) of the Texas Tax Code;

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

Section 1. Findings Incorporated.

The findings set forth above are hereby found to be true and correct and are incorporated into the body of this Ordinance as if fully set forth herein.

Section 2. Approval of 2026 Certified Property Tax Values.

The City Commission hereby approves the 2026 Certified Property Tax Rolls for the City of Starbase, Texas, in the amount of $1,188,024,763.00, as submitted by the Cameron Appraisal District to the City, attached hereto as Exhibit “A” and incorporated as if set forth fully herein.

Section 3. Tax Rate Adopted.

There is hereby levied and ordered to be assessed and collected an ad valorem tax rate of $0.800000on each One Hundred Dollars ($100.00) of assessed valuation for all taxable property located in the City of Starbase, and not exempted from taxation by the constitution and laws of the State of Texas, to provide for the expenses of the City of Starbase for the Fiscal Year beginning October 1, 2026, and ending September 30, 2027, of which (a) $0.800000 per $100 is levied for Maintenance and Operations, and (b) $0.000000 per $100 is levied for Interest and Sinking Fund (debt service), the City having no debt secured by ad valorem taxes for tax year 2026.

Section 4. Statutory Tax Rate Statement.

In accordance with Section 26.05(b) of the Texas Tax Code, the City Commission makes the following statement part of the record of this Ordinance:

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 3.21 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A $100,000 HOME BY APPROXIMATELY $24.91.

Section 5. Record Vote.

The vote on this Ordinance is a record vote, taken separately from the City's budget-adoption vote (Ordinance No. 2026-22) and the related property-tax-revenue ratification under Section 102.007 of the Local Government Code, both taken August 19, 2026, as required by Section 26.05(b) of the Texas Tax Code.

Section 6. Due Date of Taxes.

Taxes levied under this Ordinance shall be due October 1, 2026, and if not paid on or before January 31, 2027, shall immediately become delinquent, with penalty and interest accruing thereafter as provided by state law.

Section 7. Assessment and Collection.

The tax rate levied by this Ordinance shall be assessed and collected for the City of Starbase by the Cameron County Tax Assessor-Collector, or such other official as may be designated by the City, in accordance with Chapter 31 and Chapter 33 of the Texas Tax Code, including all applicable provisions governing penalty, interest, and delinquency on unpaid taxes.

Section 8. Website Posting.

The City Administrator shall post on the City's internet website the notice required by Texas Tax Code § 26.05(b)(2).

Section 9. Severability.

Should any section, subsection, sentence, clause, or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect, the City Commission hereby declaring that it would have passed this Ordinance irrespective of the invalidity of any one or more of its parts.

Section 10. Repealer.

This Ordinance shall be cumulative of all provisions of all ordinances of the City of Starbase affecting ad valorem taxes, as amended, and shall not repeal any of the provisions of such ordinances, except in those instances where provisions of such ordinances are in direct conflict with the provisions of this Ordinance.

Section 11. Engrossment/Enrollment.

The City Clerk is hereby directed to enroll and engross this Ordinance by reflecting its passage in the minutes of the City Commission and by filing this Ordinance in the Ordinance Records of the City.

Section 12. Effective Date.

This Ordinance shall become effective from and after its adoption.

PRESENTED AND APPROVED THIS 4th DAY OF SEPTEMBER 2026 BY A VOTE OF ____ FOR, ____ AGAINST, ____ ABSTENTIONS AT A MEETING OF THE CITY COMMISSION OF THE CITY OF STARBASE, TEXAS.

Commission Members	For	Against	Abstain	Absent
Mayor Peden				
Commissioner Buss				
Commissioner Wallace				

ATTEST:

____

Keila Tuttle
Acting City Clerk

CITY OF STARBASE, TEXAS

____

Mayor Peden
Mayor, City of Starbase

APPROVED AS TO FORM:

____

Caleb Rush
City Attorney

EXHIBIT “A”

2026 Certified Property Tax Values for the City of Starbase, Texas

2026 Certification Totals **CITY OF STARBASE** CAMERON CAD

CSTB As of Roll # 0

	NOT UNDER REVIEW	UNDER REVIEW	TOTAL
REAL PROPERTY & MFT HOMES	(Count) (815)	(Count) (0)	(Count) (815)
Land HS Value	1,491,781	0	1,491,781
Land NHS Value	48,191,716	0	48,191,716
Land Ag Market Value	0	0	0
Land Timber Market Value	0	0	0
Total Land Value	**49,683,497**	**0**	**49,683,497**
Improvement HS Value	24,418,512	0	24,418,512
Improvement NHS Value	527,808,737	0	527,808,737
Total Improvement	**552,227,249**	**0**	**552,227,249**
Market Value	**601,910,746**	**0**	**601,910,746**
BUSINESS PERSONAL PROPERTY	(34)	(0)	(34)
Market Value	**686,398,077**	**0**	**686,398,077**
OIL & GAS / MINERALS	(0)	(0)	(0)
Market Value	**0**	**0**	**0**
OTHER (Intangibles)	(0)	(0)	(0)
Market Value	**0**	**0**	**0**
	(Total Count) (849)	(Total Count) (0)	(Total Count) (849)
TOTAL MARKET	**1,288,308,823**	**0**	**1,288,308,823**
Ag Productivity	0	0	0
Ag Loss (-)	0	0	0
Timber Productivity	0	0	0
Timber Loss (-)	0	0	0
APPRAISED VALUE	**1,288,308,823**	**0**	**1,288,308,823**
	100.0%	0.0%	100.0%
HS CAP Limitation Value (-)	406,760	0	406,760
CB CAP Limitation Value (-)	15,891,393	0	15,891,393
NET APPRAISED VALUE	**1,272,010,670**	**0**	**1,272,010,670**
Total Exemption Amount	83,985,907	0	83,985,907
NET TAXABLE	**1,188,024,763** 18	**0**	**1,188,024,763**
TAX LIMIT/FREEZE ADJUSTMENT	**185,312** 20	**0**	**185,312**
LIMIT ADJ TAXABLE (I&S)	**1,187,839,451**	**0**	**1,187,839,451**
CHAPTER 312 ADJUSTMENT	**0**	**0**	**0**
CHAPTER 313 ADJUSTMENT	**0**	**0**	**0**
LIMIT ADJ TAXABLE (M&O)	**1,187,839,451**	**0**	**1,187,839,451**

APPROX TOTAL LEVY = LIMIT ADJ TAXABLE * (TAX RATE / 100) + ACTUAL TAX

$6,534,043.54 = 1,187,839,451 * (0.550000 / 100) + $926.56

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F.3

ADMINISTRATIVE SERVICES AGREEMENT BETWEEN THE CITY OF STARBASE, TEXAS AND STARBASE ECONOMIC DEVELOPMENT CORPORATION

This Administrative Services Agreement (this **"Agreement"**) is made by and between the City of Starbase, a Type C general-law municipality of the State of Texas (the **"City"**), and the Starbase Economic Development Corporation, a Texas Type B economic development corporation organized under Chapters 501 and 505 of the Texas Local Government Code (the **"SEDC"**) (each a **"Party"**, and collectively the **"Parties"**). This Agreement shall be in full force and effect on the later of the dates of execution by the authorized representatives of the Parties (the **"Effective Date"**).

RECITALS

WHEREAS, the SEDC is a duly constituted authority and instrumentality of the City under Section 501.055 of the Texas Local Government Code, organized to undertake "Projects" as defined in the Development Corporation Act and the EDC's Certificate of Formation; and

WHEREAS, Section 6.07 of the Bylaws of the SEDC, adopted by the SEDC Board of Directors on May 16, 2026, and approved by the City Commission on May 28, 2026 (the "Bylaws"), authorizes the SEDC to utilize the services of City staff and employees, provided that the SEDC pays reasonable compensation to the City for such services as agreed upon by the Parties and that performance of such services does not materially interfere with the other duties of such City personnel; and

WHEREAS, Section 501.073 of the Texas Local Government Code authorizes the City, as the SEDC's authorizing unit, to supervise and provide for the operations of the SEDC; and

WHEREAS, Chapter 791 of the Texas Government Code (the "Interlocal Cooperation Act") provides additional statutory authority for interlocal contracting for administrative functions, including personnel services and records management services; and

WHEREAS, the SEDC requires administrative and other personal services to discharge its functions under the Development Corporation Act and the Bylaws; and

WHEREAS, City personnel have been providing administrative services to the SEDC since the SEDC's formation on May 7, 2026, and the Parties wish to ratify those services and provide for their continued performance and compensation; and

WHEREAS, the City has determined that providing personnel, services, and office space to the SEDC will be mutually beneficial to the Parties, will promote local economic development, and will stimulate business and commercial activity within the City; and

WHEREAS, the SEDC Board of Directors approved this Agreement by resolution adopted on [DATE], 2026, and the City Commission approved this Agreement by resolution adopted on [DATE], 2026;

NOW, THEREFORE, in consideration of the mutual covenants, agreements, and benefits set forth herein, the Parties agree as follows:

SECTION 1. SERVICES; OFFICE SPACE

1.1 Services. The City shall furnish administrative services for and on behalf of the SEDC as described in Exhibit A (collectively, the **"Services"**).

1.2 Office Space. The City shall provide the SEDC with use of office space at the City's facilities to serve as the SEDC's principal office consistent with Section 1.03 of the Bylaws. As of the Effective Date, the City's office space is located at 39046 LBJ Boulevard, Unit 02, Starbase, Texas 78521. The location may change from time to time as the City may designate, and any such relocation does not require amendment of this Agreement.

1.3 Third-Party Services. The SEDC reserves the right to engage third parties to perform services that are above and beyond the Services contemplated in this Agreement, including, without limitation, an Executive Director, legal counsel, financial advisors, bond counsel, independent auditors, and other consultants.

1.4 Training Compliance. The Parties shall coordinate the attendance of the City Attorney, the City Administrator, or City Clerk, and the SEDC Executive Director (or other person responsible for the SEDC's daily administration) at the economic development training required by Section 502.101 of the Texas Local Government Code at least once in each 24-month period. The costs of such training shall be paid directly by the SEDC.

SECTION 2. COMPENSATION

2.1 Flat Fee. The SEDC shall pay the City a flat annual fee for the Services and office space provided under this Agreement, as set forth in Exhibit B.

2.2 Methodology. The Parties acknowledge that the flat fee set forth in Exhibit B has been determined as approximately thirty-five percent (35%) of the total compensation of the City personnel identified in Exhibit A, reflecting the Parties' good-faith estimate of the proportion of those personnel's time devoted to SEDC matters, plus a reasonable allocation for office space and shared facilities. The Parties acknowledge and agree that the flat fee is intended to constitute reasonable compensation under Section 6.07 of the Bylaws. The flat fee is intended solely as reasonable compensation for Services rendered to the SEDC and shall not be construed as a subsidy of general operations of the City.

SECTION 3. TERM; AUTOMATIC RENEWAL; FISCAL YEAR EXHIBITS

3.1 Initial Term. The initial term of this Agreement shall commence on the Effective Date and continue through September 30, 2027 (the **"Initial Term"**).

3.2 Automatic Renewal. This Agreement shall automatically renew for successive one-year terms beginning on October 1 of each year, coinciding with the fiscal year of the SEDC and the City, unless terminated as provided in Section 4 or unless either Party gives notice of non-renewal as provided in Section 3.5.

3.3 Annual Exhibits. For each fiscal year following the fiscal year ending September 30, 2027, the Parties may execute replacement Exhibit A and Exhibit B by separate written instrument approved by the SEDC Board of Directors and the City Commission consistent with Sections 4.03 and 6.04 of the Bylaws. A replacement Exhibit A and/or Exhibit B shall be effective as of October 1 of the applicable fiscal year (or such other date as the Parties agree in writing) and shall supersede the prior Exhibit A or Exhibit B, as applicable.

3.4 Default Renewal. If replacement Exhibit A and Exhibit B for any fiscal year following the fiscal year ending September 30, 2027 are not adopted under Section 3.3 prior to October 1 of that fiscal year, then (a) the then-existing Exhibit A shall continue in effect without modification, and (b) the flat fee set forth in the then-existing Exhibit B shall automatically increase by five percent (5%) for the renewed term, with payment installments adjusted proportionally.

3.5 Non-Renewal. Either Party may elect not to renew this Agreement at the end of the Initial Term or any renewal term by providing the other Party with written notice of non-renewal not less than fifteen (15) days before the end of the then-current term.

SECTION 4. TERMINATION

4.1 Termination for Convenience. Either Party may terminate this Agreement for its own convenience by providing the other Party with thirty (30) days' prior written notice. If the SEDC terminates this Agreement under this Section, the SEDC shall pay the City for the portion of the Services rendered through the effective date of termination, prorated based on the flat fee then in effect.

4.2 Termination for Default. Either Party may terminate this Agreement if the other Party is in default of any material term of this Agreement. The Party alleging the default shall provide the other Party with written notice citing the terms breached and the action required to cure. If the defaulting Party fails to cure within thirty (30) days, the non-defaulting Party may terminate this Agreement by written notice specifying the date of termination. Termination under this Section does not affect either Party's right to seek remedies for breach as allowed by law.

SECTION 5. NON-APPROPRIATION

5.1 If this Agreement extends beyond either Party's fiscal year in which it becomes effective, or provides for either Party to make any payment during any fiscal year following the fiscal year in which this Agreement becomes effective, and either Party fails to appropriate funds to make a required payment under this Agreement for that successive fiscal year, then this Agreement shall automatically terminate at the beginning of the first day of the successive fiscal year for which such Party has not appropriated funds.

5.2 The Parties acknowledge that this Agreement is subject to (i) the SEDC's annual budget as approved by the City Commission under Section 4.01 of the Bylaws and (ii) the City's annual budget as adopted by the City Commission.

SECTION 6. RATIFICATION OF PRIOR SERVICES; FY2026 PRORATED COMPENSATION

6.1 Ratification. The Parties acknowledge that City personnel have provided administrative services to and on behalf of the SEDC during the period from May 7, 2026 (the date of formation of the SEDC) through September 30, 2026 (the end of the City's fiscal year ending September 30, 2026). The Parties hereby ratify those services as having been provided under this Agreement.

6.2 FY2026 Prorated Compensation. As compensation for the period from May 7, 2026 (the date the SEDC's certificate of formation was filed) through September 30, 2026 (the end of FY 2026), the SEDC shall pay the City a one-time amount of one hundred sixty-one thousand

and ninety-six dollars ($161,096), which represents the annual fee set forth in Exhibit B multiplied by 147/365. This amount shall be paid upon the First Payment Due Date, as provided in Exhibit B..

SECTION 7. RELATIONSHIP OF THE PARTIES

7.1 City Employees Remain City Employees. Nothing in this Agreement shall be construed as creating an employment relationship between the SEDC and any City employee performing Services hereunder. City employees performing Services hereunder shall remain employees of the City for all purposes, including compensation, benefits, supervision, discipline, and termination.

7.2 No SEDC Authority Over City Employees. The SEDC shall have no authority to hire, terminate, discipline, or set the compensation of any City employee.

SECTION 8. CONFLICT RESOLUTION

8.1 The Parties acknowledge that from time to time conflicts may arise between a City employee's primary responsibilities to the City and requests for Services from the SEDC. City employees are encouraged to bring such conflicts to the attention of the City Administrator, who shall consult with the SEDC Executive Director as necessary to prioritize demands.

8.2 In the event of an unresolved conflict, the City's needs shall take priority.

SECTION 9. MISCELLANEOUS

9.1 Records; Public Information. All records created or maintained by City personnel in the performance of Services for the SEDC are records of the SEDC and are subject to the Texas Public Information Act, Chapter 552 of the Texas Government Code, including any applicable exemptions such as Section 552.131 of the Texas Government Code (economic-development negotiations). Such records may be maintained in the offices of the City and shall be filed with the City Clerk consistent with Section 3.05 of the Bylaws.

9.2 Assignment. Neither Party may assign this Agreement without the prior written consent of the other Party.

9.3 Amendment. This Agreement may be amended only by written instrument signed by both Parties and approved by the SEDC Board of Directors and the City Commission consistent with Section 6.04 of the Bylaws. Notwithstanding the foregoing, Exhibit A and Exhibit B may be replaced annually as provided in Section 3.3 without further amendment of the body of this Agreement.

9.4 Law Governing; Venue. This Agreement is governed by the laws of the State of Texas. Any lawsuit arising from or relating to this Agreement may only be prosecuted in a court of competent jurisdiction located in, or having jurisdiction in, Cameron County, Texas.

9.5 Entire Agreement. This Agreement, including the Recitals and all Exhibits, represents the entire agreement between the Parties and supersedes all prior negotiations, representations, or contracts, either written or oral. The Recitals are incorporated into this Agreement for all purposes.

9.6 Severability. If a court of competent jurisdiction finds that any provision of this Agreement is invalid or unlawful, the remainder of this Agreement shall continue to be binding on the Parties.

9.7 Notices. All notices and communications regarding this Agreement shall be in writing and shall be deemed given (i) when delivered personally, (ii) three (3) days after deposit in the United States mail, first class, postage prepaid, (iii) one (1) business day after deposit with a nationally recognized overnight courier, or (iv) when sent by email, with receipt indicated.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates set forth below.

CITY OF STARBASE, TEXAS

Signed by:

By: Cayetana Polanco
E77F1178C83C486...

Cayetana Polanco, City Administrator

Date: 9/1/2026

STARBASE ECONOMIC DEVELOPMENT CORPORATION

Signed by:

By: Max Levin
74B7C49D50754D8...

Name: Max Levin, Executive Director

Date: 9/1/2026

EXHIBIT A
SCOPE OF SERVICES AND OFFICE SPACE
(Fiscal Year Ending September 30, 2027)

A. Personnel

The City shall make available the following City personnel to perform the Services:

i) City Administrator

ii) City Clerk

iii) Governance and Project Manager

iv) Communications personnel

B. Services

Services performed by City personnel may include, without limitation:

i) Administrative oversight of SEDC operations and coordination of staff support;

ii) Liaison between the SEDC and the City Commission;

iii) Service as Secretary to the SEDC pursuant to Section 3.05 of the Bylaws (or as designee), including agenda preparation and posting under the Texas Open Meetings Act, preparation and maintenance of minutes, and custody of SEDC records;

iv) Records management, document retention, data governance, archiving, and processing of public information requests directed to the SEDC under the Texas Public Information Act, including application of relevant exemptions such as Section 552.131 of the Texas Government Code;

v) Coordination with the City Finance Department in connection with SEDC accounting, accounts payable, treasury management, depository banking, reconciliation, and investment of SEDC funds consistent with Section 4.02 of the Bylaws and the Public Funds Investment Act;

vi) Support of SEDC bond financing transactions, including agenda posting and meeting administration for inducement resolutions, reimbursement resolutions, bond resolutions, TEFRA hearings, and bond closings, and coordination with bond counsel, financial advisor, and underwriters;

vii) Support for economic development projects undertaken by the SEDC under Chapters 501 and 505 of the Texas Local Government Code;

viii) Coordination of mandatory training under Section 502.101 of the Texas Local Government Code for relevant City and SEDC officials; and

ix) Other services that the SEDC and City Administrator shall deem is in the collective interest of the SEDC and City and furthers the purposes of the Parties.

The SEDC, in coordination with the City Administrator, may direct from time to time which City personnel are designated to perform which Services, and any such change in designation does not require amendment of this Exhibit A.

C. Office Space

The City shall provide the SEDC with use of office space at the City's facilities to serve as the SEDC's principal office consistent with Section 1.03 of the Bylaws. As of the Effective Date, the City's office space is located at 39046 LBJ Boulevard, Unit 02, Starbase, Texas 78521. The location may change from time to time as the City may designate, and any such relocation does not require amendment of this Exhibit A. Use of office space shall include reasonable shared use of utilities, internet, IT infrastructure and support, and customary office services.

D. Scope of Services

The Services include all reasonable functions incident to the operation of a Type B economic development corporation under Chapters 501 and 505 of the Texas Local Government Code that fall within the scope of the role functions identified in Section A above. The Services do not include legal services, financial advisory services, bond counsel services, independent audit services, or other professional services that the SEDC may engage directly from third parties under Section 1.3 of the Agreement.

E. Management of City Personnel

All City personnel performing Services under this Agreement shall remain under the supervision and direction of the City Administrator or his or her designee. The SEDC's interaction with such personnel shall be coordinated through the City Administrator.

EXHIBIT B
COMPENSATION
(Fiscal Year Ending September 30, 2027)

A. Flat Fee

The SEDC shall pay the City an annual flat fee of four hundred thousand dollars ($400,000) for the Services and office space described in Exhibit A.

B. Payment

The flat fee shall be paid in four (4) equal quarterly installments of one-hundred thousand dollars ($100,000) on the first (1st) day of each fiscal quarter of the SEDC (October 1, January 1, April 1, and July 1).

The First Payment Due Date shall be the later of (a) January 1, 2027, or (b) ten (10) days after the EDC's receipt of a funds from a sales tax, bond issuance, or other economic development initiative. The first payment due under this contract shall and shall include (i) the initial prorated payment for FY2026 as described in Section 6.2 of the Agreement; and (ii) the quarterly installment payments owed for each quarter beginning October 1, 2026.

C. Methodology

The flat fee has been determined as approximately thirty-five percent (35%) of the total compensation (including salary, benefits, and employer-paid payroll taxes) of the City personnel identified in Exhibit A, plus a reasonable allocation for office space and shared facilities, reflecting the Parties' good-faith estimate of the proportion of those personnel's time devoted to SEDC matters.