



AGENDA ITEM COMMENTARY

MEETING NAME:	City Council Meeting
MEETING DATE:	December 16, 2024
ITEM TITLE:	Consider and take appropriate action on development inspection fees.
STAFF INITIATOR:	Randy Criswell, City Manager Tara Tomlinson, Director of Development Services

BACKGROUND:

In 2021 Wolfforth began utilizing the services of Walker RPR for the monitoring and inspection of infrastructure (water, sewer, paving & drainage) being constructed in our new subdivisions. Walker has been an asset to our development process by giving us confidence in the quality of work being performed and ensuring (to the greatest reasonable extent) those systems in our new subdivisions meet our specifications and will therefore provide the level of lasting service we require and expect. At that time, the City established a methodology of collecting those inspection fees from our developers that was based on a unit price per quantity.

In September 2023, new Texas legislation was passed (HB 3492) that mandated cities adopt one of three methods for collecting fees related to infrastructure inspections, none of which allowed the continuation of fee calculations as we were doing it then. The specified methods include charging the cost of an independent third-party inspection service, using the hourly rate of the city's employees conducting the inspections, or passing through the actual costs incurred by the city from a third-party entity. With the understanding our methods had to change, we began to work with Kimley-Horn, Walker RPR, and our local development community to establish a fair and consistent fee structure.

After months of analysis and multiple meetings, we believe the best way forward for Wolfforth is to adopt the same fee structure Lubbock uses. A copy of that is attached as an exhibit. This allows us to remain consistent with Lubbock for inspection costs and still maintain a level of inspection that satisfies our desire for the highest quality construction we can get. The Lubbock model utilizes a cost per quantity of certain types of construction.

It should be noted this applies to inspection fees only. We charge the developers a direct pass-through cost from Kimley-Horn for the engineering review services. That fee and its methodology will remain as is.

EXHIBITS:

Proposed Inspection Fee schedule

COUNCIL ACTION/STAFF RECOMMENDATION:

Staff recommends approval of the Inspection Fees as presented.