



ITEM REPORT CITY COUNCIL

Agenda Date: 8/6/2025
Agenda Section: Agenda Item

Department Origination: Administration

Agenda Item: 2025 Crack Sealing Project Discussion

Approval Required: No Action Required

BACKGROUND

At the July 15th Council meeting, Council directed staff to assemble data / information pertaining to the roads that were removed from the 2025 Crack Sealing project due to cost overruns. Time has been set aside to share this information (see Item #8 on Council agenda) and have discussion on whether or not the City proceeds to seek an amendment to its contract with Astech (contractor) to complete the removed streets and how the City would cover the expense.

FINANCIAL IMPLICATIONS

Based upon current expenditures year-to-date in the Streets maintenance budget of the General Fund and after accounting for the initial budget amendment approved on July 15, it is projected department expenditures will be approximately \$161,948 lower than the 2025 budget. Personnel costs are running about \$36,500 lower than budget due to the currently vacant Streets and Utilities Supervisor position. The projection below assumes the position being filled by September 1st. In the supplies category, fuel, signage, and other materials are running lower than budgeted. Building and machinery repairs are lower in the services and charges category.

Streets	Budget	Projection	Variance
Personnel	324,200	287,692	36,508
Supplies	235,000	183,486	51,514
Services & Charges	878,500	796,121	170,479
Capital Outlay	51,000	59,453	(8,453)
Transfers	217,500	217,500	-
Total	1,706,200	1,544,252	161,948

If Council desires to proceed with the crack sealing of the previously omitted streets, Administration / Finance recommends funding the \$17,700 with the projected savings in the personnel budget of the street department. We will continue to monitor the department and overall budget should other adjustments be necessary later in the year.

STAFF RECOMMENDATIONS

COUNCIL ACTION REQUESTED