

27400 Southfield Rd Lathrup Village, MI 48076 (248) 557 - 2600 www.lathrupvillage.org

To: DDA Board of Directors

From: Austin Colson - Community & Economic Development/DDA Director

Date: December 20, 2024

RE: Combined Alleyway Improvements Bid FY25 & FY26

The purpose of this memo is to seek the DDA Board's approval to consolidate the FY25 and FY26 alleyway repaving projects into a single bid package, rather than bidding them out separately in consecutive years.

There are seven segments of alleyway being repaved during FY25 and FY26.

Rationale for a Single Bid

Combining these projects into a single bid offers several advantages:

- Cost Efficiency: Larger projects often attract more competitive bids from contractors, potentially reducing overall costs due to economies of scale in labor, materials, and mobilization.
- 2. **Streamlined Project Management:** Managing one larger project rather than two separate ones reduces administrative burden and allows for more efficient oversight and coordination.
- 3. **Consistency in Quality:** Utilizing a single contractor for both fiscal years ensures uniform quality and standards across all repaying work.
- 4. **Market Conditions:** Locking in pricing for both fiscal years now could help mitigate the risk of escalating costs due to inflation or market volatility in future years.

Suggested Motion: Authorize the DDA Director to publish a single Request for Quote (RFQ) for alleyway improvements to be completed during FY25 and FY26.