



City of Lathrup Village
 27400 Southfield Road
 Lathrup Village, MI 48076
www.lathrupvillage.org | (248) 557-2600

TO: Mayor & City Council
 FROM: Mike Greene – City Administrator
 DATE: April 20, 2026
 RE: Lathrup Services – Master Agreement

Background Brief: The City’s Department of Public Services (DPS) provider, Lathrup Services LLC, has not had an adjustment to its Master Agreement since 2023, when it received a 3% fee increase. Due to inflationary pressures since 2020 (the latest full agreement on file), Lathrup Services does not believe it can provide the City with adequate services under the current fee schedule, specifically as it is unable to attract qualified talent to fill open positions (ex: CDL Drivers). Enclosed in your packet is a letter from Lathrup Services outlining its request.

If the yearly rate from 2020 were adjusted for inflation, the cost would be \$504,326 (~26% increase). Lathrup Services is requesting a 10% increase over their current fees. A breakdown of that potential budget impact is noted in the chart below, and as discussed during the April 6 Study Session, the proposed rates work within the confines of the projected FY 26-27 budget.

If this service were to come back “in-house,” the City would be looking at the need to hire 5-6 employees for an estimated cost (wages + benefits) of ~\$450,000 - \$550,000 plus expenses currently covered by Lathrup Services (ex: gasoline, equipment/vehicle maintenance, employee licensing/training).

Previous Action: April 6 – Study Session Discussion

Economic Impact:

Fund	Current		Requested		Percentage
	Monthly Amount	Annual Amount	Monthly Amount	Annual Amount	
General	10,750.74	129,008.85	11,825.81	141,909.73	31%
Major	5,550.43	66,605.14	6,105.47	73,265.66	16%
Local	5,550.43	66,605.14	6,105.47	73,265.66	16%
Water	6,236.94	74,843.25	6,860.63	82,327.58	18%
Sewer	6,236.94	74,843.25	6,860.63	82,327.58	18%
TOTAL	34,325.47	411,905.64	37,758.02	453,096.20	

Recommendation: It is my recommendation to approve the proposed agreement with the fees requested. If approved, the new fee structure would become effective on July 1, 2026.

Recommended Motion:

Moved by _____ seconded by _____ to approve the updated Master Services Agreement for the Operation of the Department of Public Services for the City of Lathrup Village via Lathrup Services LLC.

Bruce Kantor Mayor	Kelly Garrett Mayor Pro-Tem	Jalen Jennings Council Member	Jason Hammond Council Member	John Sousanis Council Member
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