

**EMPLOYMENT AGREEMENT BETWEEN THE
CITY OF LATHRUP VILLAGE AND MICHAEL V. ZANG, POLICE CHIEF**

This Employment Agreement (the "Agreement") is entered into effective the 20th day of October 2025 between the City of Lathrup Village ("City") and Michael Zang ("Mr. Zang") (collectively, the "Parties").

In consideration of the covenants in this Agreement, the Parties, intending to be legally bound, agree as follows:

1. Employment: The City agrees to employ Mr. Zang and Mr. Zang agrees to serve as the Chief of Police under the terms and subject to the conditions set forth in this Agreement, and in accordance with the statutes of the State of Michigan, and the Ordinances of the City of Lathrup Village.
2. Term: The Term of this Agreement shall commence on January 1st, 2026, and end on December 31, 2036, subject to the provisions described in Paragraphs 18-21. Six months (6) prior to the end of the Agreement, either Party may request in writing that the Agreement be extended.
3. Duties: The Police Chief shall provide overall supervision, administration, and operation of the Lathrup Village Police Department, subject to the supervision, direction, and control of the City Administrator, and such other duties as the City Administrator and the City Council may lawfully assign to the Police Chief. The Police Chief agrees to perform the duties of Police Chief competently and professionally in compliance with all applicable laws, policies, and regulations. The Police Chief shall devote his full-time attention to performing the functions, duties, and responsibilities of the position of Police Chief.
4. Hours: The parties realize that the position of Police Chief requires the person holding such position to work weekends, evenings, and other irregular hours at locations other than the Lathrup Village Police Department and during hours outside regular office hours. It is understood and agreed that the Police Chief shall work whatever hours may be necessary in order for him to fulfill the requirements of the position of Police Chief. However, the Police Chief shall be allowed to flex time off on an hour-for-hour basis, subject to the approval of the City Administrator.
5. Salary: The Police Chief shall receive a salary ("Salary") of \$114,000 annually, less applicable withholdings and deductions, payable bimonthly. The City will increase this Salary during the Term of the Agreement annually to reflect a minimum differential of ten percent (10%) above the maximum step for the Lieutenants' position. The City Administrator may increase the Chief's salary at his/her discretion.
6. Benefits: Except as described in Paragraphs 7, 8, and 17, Mr. Zang shall receive the same benefits as provided under the then-current collective bargaining agreement for the City's Command Officers. Regardless of any other provision of this Section, Mr. Zang's defined benefit pension shall be as described in Article 28, Section 1 of the 2025 – 2027 Lathrup Village Command Officers Collective Bargaining Agreement.
7. Holidays: As part of his Salary, the City shall pay Mr. Zang eight (8) hours' pay, at his regular rate of pay, for each of the holidays listed in the City Council-approved Personnel Manual of Employment Regulations.

If Mr. Zang is required to work on any of the specified holidays, in addition to the pay in this paragraph, he will receive corresponding time off, subject to the approval of the City Administrator.

8. Retiree Health Insurance: The City will not provide retiree health insurance for Mr. Zang. The City will pay 3% of Mr. Zang's base salary into a portable MERS (or similar) Retiree Health Savings Account. These funds may be used to purchase health insurance through the City's carrier, if allowed under the Lathrup Village Command Agreement or if the City's insurance carrier allows Mr. Zang to be placed in an existing retiree health insurance suffix, or for the retiree to directly obtain his/her own insurance.

9. Liability Coverage: The City, along with its insurance carrier, shall provide legal defense for Mr. Zang as an individual defendant if the Police Chief is named as a defendant or co-defendant in any lawsuit in connection with or arising from his employment, either while actively employed, retired (for acts allegedly taken while he was actively employed) or disabled, he shall be covered by the City concerning any and all costs arising from such litigation. The City shall indemnify and hold Mr. Zang harmless from any and all expenses, responsibilities, and/or liability of any kind from such litigation, subject only to the exclusions from insurance coverage found in the applicable liability insurance policy. If Mr. Zang is subpoenaed to testify in any proceeding relating to his employment subsequent to his retirement, he shall be compensated based on his last hourly base rate of pay plus reasonable expenses. Should a judgment result against the City and/or Mr. Zang, the same shall be satisfied by the City and its insurance carrier. The coverage provided by the City and the indemnification/hold harmless provisions described in this Section shall apply only if Mr. Zang was acting as the City's agent and in conformance with the scope of his authority.

10. Civil Suit: The City may compromise, settle, and pay any claim before or after the commencement of a civil action. Should a judgment for damages be awarded against Mr. Zang as a result of a civil action for personal injuries or property damage involving Mr. Zang while in the course of his duties for the City and acting within the scope of his authority, the City will insure Mr. Zang and, pursuant thereto, pay, settle, or compromise the judgment.

11. Liability Policy: Mr. Zang shall be covered with insurance in the amount of at least One Million Dollars (\$1,000,000.00) for each occurrence, pursuant to the City's Liability Insurance Policy. Copies of the policies shall be available to the Police Chief at his request.

12. Professional Development: The City hereby agrees to budget and to pay an appropriate amount for travel and subsistence expenses of Mr. Zang for professional and official travel, meetings, and occasions. The amount shall be adequate to continue the professional development of Mr. Zang and to adequately pursue necessary official and other functions for the City, including but not limited to the Michigan Association of Chiefs of Police, the Southeastern Michigan Chiefs of Police, the Oakland County Chiefs of Police, and the Federal Bureau of Investigation's Law Enforcement Executive Development Association, provided Mr. Zang continues to serve as a member. The City agrees to budget and to pay for the travel and subsistence expenses of Mr. Zang for short courses, trainings, seminars, and out-of-state conferences that are necessary for his professional development and for the good of the City. The City shall pay any dues or subscriptions of Mr. Zang necessary for his continuation and full participation in national, regional, state, and local associations and organizations necessary and desirable for his continued professional growth and advancement, and for the good of the City. The City may reduce or eliminate the obligations in this Section in order to meet annual budgetary constraints, other than those required to satisfy mandatory certification credits as established by MCOLES.

13. Police Vehicle: Mr. Zang may use an unmarked City vehicle for personal reasons, while not on vacation, within a fifty (50) mile radius of Lathrup Village City Hall; however, he may not use the vehicle if he

has consumed alcohol that day. If Mr. Zang exceeds the 50-mile limit, he agrees to purchase the fuel for the vehicle. At no time may Mr. Zang use the vehicle for personal reasons outside the State of Michigan.

14. On Job Injury or Illness: If Mr. Zang incurs an injury or illness while on duty, he shall, as a result of such injury or illness, be paid in accordance with the terms of the then-current Command Officers' collective bargaining agreement.

15. Other Benefits: Mr. Zang shall be entitled to all other benefits ("Benefits") maintained by the City for its non-union, management employees, if not covered under the Command Officers' collective bargaining agreement.

16. Termination Due to Death Duty or Non-Duty Related: This agreement will terminate upon Mr. Zang's death. The City shall pay Mr. Zang's estate, in a lump sum within thirty (30) calendar days of notice of death, the pro rata amount of Mr. Zang's salary in effect at the time of death, earned through the date of death, to the extent due but not previously paid, less applicable taxes and deductions. If Mr. Zang dies during the term of his employment, the City shall pay to Mr. Zang's estate all the compensation which would otherwise be payable to him up to the date of Mr. Zang's death, including, but not limited to, payment (less applicable taxes and deductions) for accrued vacation time, holiday pay, personal days, and sick leave, as provided in the then-current Command Officers' collective bargaining agreement.

17. Termination Due to Non-Duty Disability: If Mr. Zang becomes, in the opinion of his medical physician and a medical physician selected by the City, unable to discharge the essential functions of Mr. Zang's job, with reasonable accommodation, for a period anticipated to be more than fifty-two (52) weeks, because of mental or physical impairment, the City may at its option terminate this agreement upon not less than ninety (90) calendar days written notice. If Mr. Zang's medical physician and the City's medical physician disagree with their diagnosis, a third medical physician shall be consulted to provide a diagnosis. Both Parties shall agree on the selection of this physician. The costs shall be the responsibility of the City. The City shall allow Mr. Zang to purchase any remaining service credits to allow him to retire with full pension and benefits as a normal retirement. The City shall pay any actuarial fees associated with opening an early retirement window to allow Mr. Zang to retire early due to his disability. The provisions of this Section are in addition to any rights Mr. Zang may have to a duty disability retirement or non-duty disability retirement through the City's pension plan.

18. Termination by Employer: Termination of this Agreement shall be warranted in cases of just cause. Just-cause shall be determined according to common definitions used by labor relations arbitrators, and may include: (a) failure to perform the duties of Police Chief; (b) conviction of a felony or misdemeanor; (c) any crime involving truth or veracity; (d) sexual, ethnic or racial harassment; (e) embezzlement; (f) failure to follow a direct order (insubordination). The removal may not be arbitrary or capricious. Removal under this clause shall be in accordance with legal requirements and due process under the law. In such an event, the Police Chief shall be advised in writing, in advance of the alleged action or breach by the Police Chief, and of the City Council's intention to consider effecting such a mid-term termination. The City Council's consideration of facts which may constitute just cause for termination will be open to the public or closed, at the Police Chief's option and in accordance with the Open Meetings Act. Following the hearing, should the City Council decide to terminate this contract, for just cause, the Police Chief shall receive written notice of said decision, listing the basis for the Council's decision. A mid-term termination by the City Council shall not constitute a waiver of the right of the Police

Chief to seek legal redress for any claim of breach of this contract under Paragraph 28 and to pursue all of his rights and remedies for such breach.

In the event Mr. Zang is terminated with cause before the end of this contract, Mr. Zang has the option to pay for an actuarial evaluation to open an early retirement window allowing Mr. Zang to retire with a full pension without any reduction for his age. Mr. Zang will pay the cost for any service credits and/or any costs associated with opening the early retirement window.

19. Termination by Mr. Zang: In the event Mr. Zang intends to resign or retire voluntarily, then he shall give the City, sixty (60) calendar days' written notice in advance, unless the parties otherwise agree in writing. Provided such notice is given, Mr. Zang will be entitled to receive pay for any accrued but unused leave, except that sick leave shall be paid in accordance with the Command Officers' 2025-2027 collective bargaining agreement.

20. Return of Materials: Mr. Zang acknowledges that all files, records, listsbooks, products, and other materials, whether owned by the City at the time of employment or developed during the course of employment, used in connection with its operation, shall at all times remain the property of the City. Upon the Termination Date, Mr. Zang shall return all records, documents, and other written, printed, photographic or physical materials of any type that belong to or pertain to the City, including without limitation computer print-outs, software, documents, files, manuals, drawings, plans, specifications, calculations, proposals, business and financial information, and all other documents relating to the City then in Mr. Zang's possession or control, and Mr. Zang shall not make or retain any copies or extracts, including hand-written summations, of any such documents. In addition, Mr. Zang shall return to the City all equipment, keys, credit cards, and all other property of the City prior to or upon the Termination Date.

21. Cooperation Covenant: During the Term of this Agreement, and after the termination of this Agreement, Mr. Zang agrees to fully and voluntarily cooperate and assist in defending any actions against the City in which Mr. Zang is named as a defendant or witness or about which Mr. Zang has knowledge. The City agrees to compensate Mr. Zang a pro-rated sum, based on the Salary Mr. Zang was receiving at the Termination Date, for any time that Mr. Zang spends after the Termination Date in assisting the City to defend against actions against the City and for all reasonable and documented expenses involved in assisting the City to defend against actions against the City.

22. Notice: Any notice permitted or deemed to be required under this Agreement will be in writing and will be delivered by hand, facsimile transmission with subsequent written confirmation, overnight delivery service or U.S. certified mail, postage prepaid with return receipt requested, to the other party, at the address set forth in this Agreement or, if to Mr. Zang, to such address as is last shown in the City's payroll records. Notices will be deemed to be given, in the case of (i) hand delivery or facsimile transmission, upon receipt; (ii) overnight delivery; and (iii) U.S. mail, upon the third business day after proper deposit with the U.S. mail of a properly addressed notice with appropriate postage paid.

23. Headings: Paragraph, sub-paragraph, and other headings contained in this Agreement are for reference purposes only and will not affect in any way the meaning or interpretation of this Agreement.

24. Entire Agreement: The terms of this Agreement may not be altered orally but only by an agreement in writing signed by all Parties. This Employment Agreement represents the full and complete agreement between the Parties concerning the terms of employment of Mr. Zang. This Agreement supersedes all prior agreements in conflict herewith.

25. Severability. The provisions of this Agreement are severable, and if any provision of this Agreement shall be, for any reason, invalid or unenforceable, the remaining provisions shall nevertheless be valid, enforceable, and carried into effect.

26. Waiver: Any Party's failure to exercise, or delay in exercising, any power or right under this Agreement shall not operate as a waiver, nor shall any single or partial exercise of any such right or power preclude any other or further exercise thereof or the exercise of remedies otherwise available in equity or at law.

27. Governing Law: This Agreement shall be construed and enforced in accordance with the laws of the State of Michigan.

28. Binding Nature: This Agreement shall be binding upon and inure to the benefit of Mr. Zang and Mr. Zang's personal or legal representatives, executors, administrators, and heirs. Without the written consent of the City's Administrator, neither this Agreement nor any of its benefits may be assigned by Mr. Zang other than such rights or benefits as are transferred by will or by operation of law upon Mr. Zang's death.

29. Arbitration: It is mutually agreed that arbitration shall be the sole and exclusive remedy to redress any dispute, claim or controversy ("grievance") involving: the interpretation of this agreement, or the terms, conditions or termination of employment with the City, or any employment-related dispute (other than unemployment compensation, workers' compensation or other charge filed with a state or federal administrative agency) based on an alleged violation of state or federal law (including any violations allegedly committed by the City's employees, officers or agents). Judgment on the arbitrator's award may be entered in any court having jurisdiction thereof. Arbitration shall be conducted in accordance with the applicable Michigan Court Rules and Act 371 of Michigan Public Acts of 2012. It is the intention of the parties that the arbitration decision will be final and binding and that any and all grievances shall be disposed of as follows:

- Any and all grievances must be submitted in writing by the aggrieved party within ninety (90) calendar days of the alleged violation. However, in the event that state or federal law provides for a longer statute of limitations, that statute of limitations shall control.
- Within thirty (30) calendar days following the submission of the written grievance, the party to whom the grievance is submitted shall respond in writing. If no written response is submitted within thirty (30) calendar days, the grievance shall be deemed denied.
- If the grievance is denied, either party may, within thirty (30) calendar days of such denial, refer the grievance to arbitration with the American Arbitration Association. At the time the grievant refers the grievance to arbitration, the grievant must submit a complaint to the opposing party, stating its factual and legal allegations, pursuant to the Michigan Court Rules. The arbitrator shall be chosen in accordance with the Michigan Employment Panel of the American Arbitration Association then in effect, and, except as described below, the expense of the arbitration shall be borne by the City. Each party may be represented by counsel at the arbitration hearing. At the beginning of the hearing, the arbitrator must swear to hear and decide the matter fairly.

This arbitration provision shall not act to require Mr. Zang to submit a workers' compensation claim or other employer-provided insurance benefit claim to arbitration, nor shall either party be required

to submit to arbitration a claim for injunctive relief, such claims being specifically excluded from this arbitration provision.

Any grievance shall be deemed waived unless presented within the time limits specified above. The arbitrator shall not have jurisdiction or authority to change, add to or subtract from any of the provisions of this agreement. The arbitrator's sole authority shall be to interpret or apply the provisions of this agreement or the state or federal law which is the basis for the grievance. The arbitrator shall issue a written opinion after the conclusion of the hearing and review of the parties' briefs. The written opinion shall contain findings of fact and conclusions of law. The arbitrator shall have authority to swear witnesses, subpoena witnesses and documents, permit the taking of a deposition for the use of evidence, and to permit reasonable discovery pursuant to the Michigan Court Rules. The arbitrator may award costs and attorney's fees consistent with the state or federal statute or Michigan Court Rule providing for such an award. The parties hereby acknowledge that since arbitration is the exclusive remedy with respect to any grievance hereunder, neither party has the right to resort to any federal, state or local court or administrative agency concerning breaches of this letter agreement and that the decision of the arbitrator shall be a complete defense to any suit, action or proceeding instituted in any federal, state or local court or before any administrative agency with respect to any dispute which is arbitrable as herein set forth. The arbitration provisions hereof shall, with respect to any grievance, survive the termination or expiration of this agreement.

IN WITNESS WHEREOF, the parties have duly executed this Agreement between the City of Lathrup Village and Michael V Zang, Police Chief, as of the day and year written in the opening paragraph.

SIGNED AND EXECUTED at _____, this ____ day of October 2025.

Michael V. Zang

SIGNED AND EXECUTED at _____, this ____ day of October 2025.

City of Lathrup Village

By: _____
Its: Mayor

By: _____
Its: City Clerk