

EMPLOYMENT AGREEMENT BETWEEN THE CITY OF LATHRUP VILLAGE AND SCOTT M. MCKEE, POLICE CHIEF

This Employment Agreement (the "Agreement") is entered into effective the 16th day of April 2018 between the City of Lathrup Village ("City") and Scott McKee ("Mr. McKee") (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. McKee and Mr. McKee 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 April 16, 2018, and end on December 31, 2025, 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 in a competent and professional manner in compliance with all applicable laws, policies, and regulations. The Police Chief shall devote his full-time and 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 maybe necessary in order for him to fulfill the requirements of the position of Police Chief. However, the Police Chief shall be allowed 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") in the amount of \$92,000 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 Police Chief's salary will be made retroactive to his date of appointment September 18, 2017. 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. McKee shall receive the same benefits as provided under the then-current collective bargaining agreement for the City's Command Officers.

7. Holidays: As part of his Salary, the City shall pay Mr. McKee eight (8) hours pay, at his regular rate of pay, for each of the holidays listed below and any other holiday recognized by the City:

New Year's Day	Labor Day
Martin Luther King Day	Thanksgiving Day
Presidents' Day	Friday after Thanksgiving Day
Good Friday	Christmas Eve Day
Memorial Day	Christmas Day
Independence Day	New Year's Eve Day

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

8. Retiree Health Insurance: The City shall pay the insurance premiums for Mr. McKee and his spouse, upon retirement from the City. The City shall continue hospitalization coverage, after retirement for Mr. McKee and his spouse at the level provided to the City's Command Officers at the time of his retirement. The City shall pay the insurance premiums for the surviving spouse of Mr. McKee if he dies as a result of a duty-related incident regardless of the number of years of credited pension service. If the surviving spouse remarries, the City has no obligation to provide insurance, and the coverage mentioned above will cease.

9. Duty Related Disability: If Mr. McKee has less than twenty-five (25) years of credited pension service, and is retired due to a duty-related disability, he and his spouse at the time of this disability shall be eligible for health insurance paid for by the City, as described in Paragraph 8.

10. Medicare Eligible: Upon becoming eligible for Medicare, Mr. McKee and his spouse will be considered "Medicare Primary", will be required to enroll in Medicare Part B insurance when initially eligible, and will receive a Medicare Supplemental Medical Policy and Medicare Advantage Prescription Drug Plan (MA-PDP), which will be paid for by the City, consistent with the terms of the Command Officers' collective bargaining agreement at the time of his retirement.

11. Liability Coverage: The City, along with its insurance carrier, shall provide legal defense for Mr. McKee as an individual defendant as long as Mr. McKee was acting as the City's agent and in conformance within the scope of his authority. 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 or disabled, he shall be covered by the City concerning any

and all costs arising from such litigation. The City shall indemnify and save Mr. McKee 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. McKee 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. McKee, the same shall be satisfied by the City and its insurance carrier. The coverage shall apply after Mr. McKee has left the employment of the City at the time the claim or allegation is filed, provided the claim or allegation arose as a result of Mr. McKee's employment by the City.

12. 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. McKee as a result of a civil action for personal injuries or property damage involving Mr. McKee while in the course of his duties for the City and acting within the scope of his authority, the City will insure Mr. McKee and pursuant thereto pay, settle, or compromise the judgment.

13. Liability Policy: Mr. McKee 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 upon his request.

14. Professional Development: The City hereby agrees to budget and to pay an appropriate amount for travel and subsistence expenses of Mr. McKee for professional and official travel, meetings, and occasions. The amount shall be adequate to continue the professional development of Mr. McKee 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. McKee continues to serve as a member. The City agrees to budget and to pay for the travel and subsistence expenses of Mr. McKee 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. McKee necessary for his continuation and full participation in national, regional, state and local associations and organization necessary and desirable for his continued professional growth and advancement, and for the good of the City.

15. Police Vehicle: The Police Chief's duties require that he have exclusive and unrestricted use of a police vehicle available at all times excluding vacations. For this reason, the City will provide Mr. McKee a vehicle for his use and the City will be responsible for the purchase, maintenance, gas, and insurance for this vehicle.

16. On the Job Injury or Illness: If Mr. McKee 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.

17. Other Benefits: Mr. McKee 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.

18. Termination Due to Death Duty or Non-Duty Related: This agreement will terminate upon Mr. McKee's death, with the exception of Paragraphs 8 and 10. The City agrees to provide for Mr. McKee's surviving spouse and children under twenty-seven (27) years old the benefits listed in Paragraphs 8 and 10. Additionally, the City shall pay Mr. McKee's estate, in a lump sum within thirty (30) calendar days of notice of death, the pro rata amount of Mr. McKee'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 the surviving spouse remarries, the City's obligation to provide insurance shall cease. If Mr. McKee dies during the term of his employment, the City shall pay to Mr. McKee's estate all the compensation which would otherwise be payable to him up to the date of Mr. McKee'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.

19. Termination Due to Non-Duty Disability: If Mr. McKee becomes, in the opinion of his medical physician and a medical physician selected by the City, unable to discharge the essential functions of Mr. McKee'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. McKee's medical physician and the City's medical physician disagree in 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. McKee to purchase any remaining service credits to allow him to retire with a 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. McKee to retire early due to his disability.

20. 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 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 determine 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 31 and to pursue all of his right and remedies of such breach.

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

21. Termination by Mr. McKee: In the event Mr. McKee intends to resign or retire voluntarily, then he shall give the City of Lathrup Village sixty (60) calendar days written notice in advance, unless the parties otherwise agree in writing. Provided such notice is given, Mr. McKee will be entitled to receive pay for any accrued but unused leave.

22. Return of Materials: Mr. McKee Acknowledges that all files, records, lists, books, 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. McKee 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. McKee's possession or control, and Mr. McKee shall not make or retain any copies or extracts, including hand-written summations, of any such documents. In addition, Mr. McKee shall return to the City all equipment, keys, credit cards and all other property of the City prior to or upon the Termination Date.

23. Cooperation Covenant: During the Term of this Agreement, and after the termination of this Agreement, Mr. McKee agrees to fully and voluntarily cooperate and assist in defending any actions against the City in which Mr.

McKee is named as a defendant or witness or about which Mr. McKee has knowledge. The City agrees to compensate Mr. McKee a pro-rated sum, based on the Salary Mr. McKee was receiving at the Termination Date, for any time that Mr. McKee 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.

24. 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. McKee, 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.

25. 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.

26. 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. McKee. This Agreement supersedes all prior agreements in conflict herewith.

27. Non-Severability: Each provision in this Agreement is non-severable. If any provision of this Agreement is ever held by a court to be unreasonable, unenforceable or void, the Parties agree that this Agreement shall be void in its entirety as that moment and shall grant no vested or continuing rights, and the balance of this Agreement shall not be applied. Further, the Parties agree that if any provisions are determined to be invalid or unenforceable, then the Parties shall negotiate in good faith to reach terms and conditions of employment to apply thereafter.

28. 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.

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

30. Binding Nature: This Agreement shall be binding upon and inure to the benefit of Mr. McKee and Mr. McKee'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. McKee other than such rights or benefits as are transferred by will or by operation of law upon Mr. McKee's death.

31. 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 shared by the City and Mr. McKee. 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.

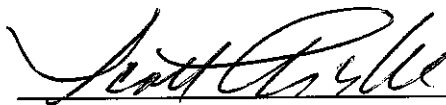
This arbitration provision shall not act to require Mr. McKee to submit a workers' compensation claim or other employer-provided insurance benefit claim

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.

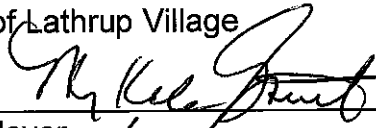
IN WITNESS WHEREOF, the parties have duly executed this Agreement between the City of Lathrup Village and Scott M. McKee, Police Chief, as of the day and year written in the opening paragraph.

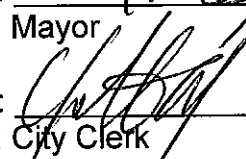
SIGNED AND EXECUTED at _____, this 24 day of April 2018.



Scott M. McKee

SIGNED AND EXECUTED at _____, this 24 day of April 2018.

City of Lathrup Village
By: 

Its: Mayor
By: 

Its: City Clerk