DEVELOPMENT/SUBDIVISION AGREEMENT

THIS DEVELOPMENT/SUBDIVISION AGREEMENT (hereinafter referred to as “Agreement”) made this 22 day of JUNE, 2005, by and between Omaha State Bank, a Nebraska banking corporation (hereinafter referred to as “DEVELOPER”), and the CITY OF PAPILLION, a municipal corporation, (hereafter referred to as “CITY”).

WITNESSETH:

WHEREAS, DEVELOPER is the owner of the real property ("Development Area") shown on the plat ("Plat") attached to this Agreement as Exhibit "A", which Development Area is outside the incorporated limits of the CITY, but is within the CITY’s zoning and platting jurisdiction; and

WHEREAS, DEVELOPER has requested CITY to approve specific platting of the Development Area, said area to be developed; and

WHEREAS, DEVELOPER wishes to connect the system of sewers and water to be constructed by the DEVELOPER within the area to be developed with the sewer and water system of the CITY; and

WHEREAS, DEVELOPER desires to construct, install and locate certain improvements within the Development Area; and

WHEREAS, the DEVELOPER and CITY desire to agree on the method of installation and the allocation of expenses for the Public Improvements; and

WHEREAS, the CITY and DEVELOPER desire to set forth in this Agreement their respective understandings and agreements with regard to the development of the Project.

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

SECTION 1

DEFINITIONS

For the purpose of this Agreement, unless the context otherwise requires, the following words and phrases shall have the following meanings:

(a) "Cost(s)" or "entire cost", being used interchangeably, of each “Improvement” or “Public Improvement” shall mean all construction costs, engineering fees, design fees, attorneys’ fees, inspection fees and testing expenses, publication costs, financing costs (which shall include interest) and all other related or miscellaneous costs or expenses incurred by DEVELOPER or CITY in connection with the Improvements or the Public Improvements.
(b) "Dedicated Street(s)" shall mean those concrete or paved area(s), including curbing, to be constructed, modified or improved within that portion of the Development Area designated as Dedicated Street right-of-way on Exhibit "B".

(c) "Development Area" shall mean the real property situated within the area identified or depicted on Exhibit "A".

(d) "Improvements" shall mean those improvements or betterments required by or otherwise undertaken by DEVELOPER pursuant to this Agreement, including the Public Improvements, if any, on, to or otherwise benefiting the Development Area.

(e) "Public Improvements" shall mean:

(i) All Dedicated Streets and the paving of 96th Street identified on Exhibit "B".

(ii) All concrete sidewalks to be constructed, modified or improved along any Dedicated Streets and lying within the boundaries of any Dedicated Street right-of-way.

(iii) All Dedicated Street signage required by, and meeting the standards of, the “Manual of Uniform Traffic Control Devices” but only if first approved in writing by the CITY’s Public Works Department and only if located at a Street Intersection.

(iv) All “Wastewater Sewers” constructed within the Development Area as identified in the sanitary sewer layout (Exhibit “C”) prepared by E & A Consulting Group, Inc. (“Engineer”). Wastewater Sewers shall include all necessary sanitary and wastewater sewer mains, manholes, lines, pipes and related appurtenances.

(v) All “Storm Sewers” to be constructed in the Development Area identified on the storm sewer plan (Exhibit “D”) prepared by the Engineer, including all necessary storm sewers, inlets, manholes, lines, pipes and related appurtenances.

(vi) The “Water Distribution System” to be constructed and installed by the CITY within the boundaries of any Dedicated Street right-of-way within the Development Area or other areas specifically approved by the CITY.

(vii) The “Gas Distribution System” to be constructed and installed by Aquila, Inc. within any Dedicated Street right-of-way within the Development Area or other areas specifically approved by the CITY.
(viii) The “Lighting System” for any Dedicated Streets to be constructed and installed by the Omaha Public Power District within the boundaries of any Dedicated Street right-of-way within the Development Area, including any decorative, ornamental or other lighting not conforming to CITY standards but which has been specifically approved by the CITY.

(ix) The “Electrical Power Service” to be constructed and installed by the Omaha Public Power District within the boundaries of any Dedicated Street right-of-way within the Development Area. The Electrical Power Service shall include all electrical utility lines and other devices, other than the Lighting System, so constructed and installed for the benefit of the Development Area.

(f) “Sewer System” shall mean, collectively, all sewer systems within the Development Area, and shall also include all existing wastewater systems, Wastewater Sewers, existing storm sewer systems, the Storm Sewers and existing sanitary sewer systems located within the Development Area.

(g) “Street Intersections” shall mean those portions of the Dedicated Streets (other than that portion of any “T” intersection abutting any buildable lot or parcel) identified as such on the Street Intersection drawing (Exhibit “B”).

(h) Street Improvements” shall mean those Public Improvements described in paragraphs 1(e)(i), (ii), (iii) and (viii), other than the Street Intersections.

(i) “Party” shall mean CITY or DEVELOPER individually, and “Parties” shall mean the CITY and DEVELOPER, collectively.

SECTION 2

AUTHORITY AND DOCUMENTATION

(a) The DEVELOPER shall cause all Improvements and Public Improvements to be constructed and installed in accordance with the terms and conditions of this Agreement.

(b) DEVELOPER shall abide by and incorporate into all of its construction contracts the provisions required by the regulations of the City pertaining to construction of public improvements in developments/subdivisions and testing procedures therefore.

(c) Prior to commencement of construction of Improvements and Public Improvements, DEVELOPER will obtain and file of record permanent easements for all sanitary, water and storm sewer lines as determined by City’s engineer. Said easements shall be in a form satisfactory to the City’s attorney and City’s engineer.
(b) Subject to the remaining terms and conditions of this Agreement, CITY approves construction and installation of the Improvements and Public Improvements substantially in accordance with the Plat; provided, however, that at least thirty (30) working days before commencing any work in connection with the Public Improvements, the DEVELOPER shall first:

(i) Deliver to the appropriate department(s) of the CITY duly executed copies of any agreement(s) for work required for, or otherwise entered into in connection with the Public Improvements, and all plans for the Public Improvements, including the manner and means of any additional connections required by or for the Wastewater Sewers or Storm Sewers, prepared by E & A Consulting Group, Inc. The specifications and technical terms of all such agreements and plans shall have been received and approved by CITY prior to DEVELOPER's execution of any agreements for construction or installation of the Public Improvements.

(ii) The CITY and its departments agree to reasonably cooperate with the DEVELOPER, its agents and contractors for the timely and orderly installation of the Public Improvements following the execution of this Agreement.

(c) Any contracts for the construction or installation of the Public Improvements entered by DEVELOPER shall provide that the contractor or subcontractor constructing or installing the Public Improvements shall have no recourse against CITY for any claim or matter arising out of, or in any way whatsoever, including without limitation, the cost for Public Improvements, construction oversight of the Public Improvements, the design or preparation of plans and specifications for the Public Improvements, or the construction of the Public Improvements.

(d) The entire cost of all Public Improvements shall be borne by and be at the sole expense of the DEVELOPER. The credit of the CITY shall not be used for engineering, procurement or construction of any betterments or Public Improvements.

(e) CITY hereby grants permission to the DEVELOPER to connect its sanitary sewer system and water system to the sanitary system and water system of the City pursuant to the remaining terms and conditions of this Agreement and the terms and conditions of a sewer and water connection agreement of even date between City and said DEVELOPER.

SECTION 3

REPRESENTATIONS AND ACKNOWLEDGEMENTS

(a) DEVELOPER represents and warrants to the CITY as follows:
(i) DEVELOPER is the owner of record of the Development Area and has full right and authority to make decisions affecting the Development Area and to enter into this Agreement.

(ii) DEVELOPER is duly authorized to transact business under the laws of the State of Nebraska.

(iii) DEVELOPER has full power and authority to enter into, deliver and perform its obligations under this Agreement and each of the documents related thereto.

(iv) DEVELOPER has taken all necessary action to authorize DEVELOPER's execution, and delivery of, and its performance under, this Agreement and as such, this Agreement constitutes DEVELOPER's valid and binding obligation, enforceable against DEVELOPER in accordance with its terms.

(v) No consent, order, authorization, waiver, approval or any other action, or registration, declaration or filing with any person, board or body, public or private (collectively, the "Approvals") is required to be obtained by the DEVELOPER in connection with the execution, delivery or performance of this Agreement or the consummation of the transactions contemplated thereby.

(vi) DEVELOPER shall cause all Improvements and Public Improvements to be constructed and installed in accordance with the terms and conditions of this Agreement and Chapter 170, Subdivision of Land, Section 170-22 of the Code of the City of Papillion.

(vii) All Public Improvements shall be constructed and installed and payment shall be made of all applicable fees due to the City of Papillion, including, but not limited to, capital facility charges, plan review fees and reimbursement for the relocation of the 12” water main prior to the issuance of certificate of occupancy for any lot within the subdivision.

(viii) DEVELOPER shall comply with (i) the terms of this Agreement and (ii) the provisions of any agreement submitted to the CITY pursuant to this Agreement, which agreements shall not be amended or assigned without prior written approval of the CITY.

(ix) DEVELOPER shall defend, indemnify and hold the CITY harmless from and against any responsibility, claim, damage, loss, liability or obligation resulting or arising from or out of or otherwise occurring in connection with this Agreement and the construction, financing and installation of the Improvements and Public Improvements.
(x) DEVELOPER has not employed or retained any company or person, other than a bona fide employee of DEVELOPER to solicit or secure this Agreement and has not paid or agreed to pay any entity or person other than a bona fide employee working for the DEVELOPER any fee, commission, percentage, brokerage fee, gift or any other consideration, contingent upon or resulting from the award or making of this Agreement.

(xi) DEVELOPER shall cause CITY to be named as an additional insured under any policy of insurance, including all payment and performance bonds obtained by DEVELOPER (whether or not required by this Agreement) or any other person in connection with the construction or operation of the Improvements or Public Improvements.

(xii) All documents, contracts and instruments submitted to CITY now, or at any time in the future, or otherwise entered into by or on behalf of DEVELOPER shall in all material respects be fully authorized, and in all material respects shall be valid, binding and enforceable in accordance with their terms.

(xiii) DEVELOPER shall cause all personal property and real estate taxes and assessments levied on the Development Area to be paid prior to the time such taxes become delinquent.

(b) DEVELOPER acknowledges that neither CITY nor any of its officers, agents or employees: (i) is acting as attorney, architect, engineer or otherwise in the interest or on behalf of DEVELOPER in furtherance of this Agreement; (ii) owes any duty to DEVELOPER or any other person because of any action CITY or DEVELOPER has undertaken, or in the future will undertake in furtherance of this Agreement, including any CITY inspection or CITY approval of any matter related to the same; and (iii) shall be liable to any person as a result of any act undertaken by CITY or DEVELOPER to date or at any time in the future in furtherance of this Agreement, and, to the maximum extent permitted by law, DEVELOPER hereby waives for itself, its employees, agents and assigns any such right, remedy or recourse it may have against any of them.

(c) The CITY and DEVELOPER further acknowledge that the CITY makes no representation or warranty as to the validity or effect of (i) CITY’s approval of the plat or this Agreement, or (ii) any future act of CITY in respect to DEVELOPER’s performance, under the Agreement or otherwise, in developing the Development Area; DEVELOPER is proceeding at its own risk.

SECTION 4

OTHER OBLIGATIONS

(a) DEVELOPER shall undertake such acts, responsibilities and obligations as may be necessary or appropriate to prevent and control any adverse impact on any real estate or property
beyond the Development Area directly or indirectly caused by, or attributable or related to construction and installation of the Improvements and Public Improvements.

(b) DEVELOPER shall pay to the CITY a fee of one percent (1%) of construction cost of Public Improvements to cover engineering, legal and other miscellaneous expenses incurred by the City in connection with any necessary review of plans and specifications in connection with the construction projects performed by the DEVELOPER. Fee shall be paid concurrent with the CITY’s approval of the plans and specifications.

(c) DEVELOPER shall pay capital facilities charges to the City of Papillion in the amount of $27,743 prior to connection to the City’s water system.

(d) The City of Papillion has a 12 inch water main in the State of Nebraska Highway 370 right-of-way. DEVELOPER shall pay for all costs associated with the relocation by the City of Papillion of said water main. No grading associated with this development shall occur until said water line has been relocated.

(e) DEVELOPER shall be responsible for Public Improvements to 96th Street and shall provide the City with evidence of approval for said improvements by Sarpy County. 96th Street improvements shall be installed and approved prior to the issuance of an occupancy permit.

(f) DEVELOPER shall comply with all state statutes and CITY ordinances. DEVELOPER shall further adopt such regulations so as to require strict compliance with all state statutes and CITY ordinances by the owner, agent, occupant, or any person acquiring possession, charge or control of any lot or ground within the Development Area, or any part of any lot within the Development Area.

(g) Pursuant to Chapter 170, Subdivision of Land, Section 170-20 Code of the City of Papillion, fire hydrants shall be provided by the DEVELOPER. The type of hydrant and control valves and the location of the hydrants must be approved by the fire chief.

(h) There shall be installed in the Development Area or be available, sufficient civil defense siren coverage, prior to the issuance of any occupancy permit for any structure built in said Development Area, civil defense sirens and a number, type and specifications as determined by the City Administrator in conjunction with the Director of the Sarpy County Civil Defense Agency. The siren must be capable of sounding the severe weather and attachment warning. The number, type and specifications for the civil defense sirens shall be determined by the Director of the Sarpy County Civil Defense Agency.

(i) Notwithstanding any provision in this Agreement to the contrary, this Agreement shall not in any way be construed as creating any obligation on the part of DEVELOPER to develop the Developed Area or construct any of the Improvements in the event the plans envisioned by the DEVELOPER are not carried out and the approvals obtained from the CITY are withdrawn or terminated by the Declarant.

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SECTION 5
MISCELLANEOUS

(a) TERMINATION OF AGREEMENT. This Agreement shall not be terminated except (i) by the written agreement between the DEVELOPER and CITY or; (ii) by CITY for any material breach or default by any other PARTY which remains uncured thirty (30) days following notice to the respective PARTY specifying such breach or default ("Notice to Cure"), to be effective upon notice of termination. No termination shall relieve the DEVELOPER of any unperformed obligation required as of the effective date of termination nor any liability which may have then accrued, each of which shall survive such termination. Notwithstanding the foregoing, CITY may terminate this Agreement immediately upon notice without allowing any right to cure upon the recurrence of any breach or default for which CITY has given a Notice to Cure in the preceding 180 days. The provisions of this Section 6 shall survive the expiration or termination of this Agreement;

(b) INDEMNITY. In addition to the indemnity obligations otherwise set forth in this Agreement (which obligations shall survive the expiration or termination of this Agreement), DEVELOPER and CITY, jointly and severally, agree to defend, indemnify and hold CITY, its employees, agents and assigns harmless from and against any and all claims, judgments, actions, loss, damage or injury of any nature whatsoever resulting from any negligence or performance by any of them or their employees, agents, contractors, subcontractors or other representatives under this Agreement, including any failure to perform or properly perform as required by this Agreement, or any and all claims, judgments, actions, loss, damage or injury of any nature whatsoever which may otherwise arise from or out of or may be caused by its breach of or default in any warranty, representations, obligation, requirement, responsibility or other provision of this Agreement or from any unlawful or improper discharge into the CITY's sewer system during the term of this Agreement. Without limiting the generality of the foregoing, such indemnity shall include and extend to any injury, loss or damage:

(i) to any agent, employee or subcontractor of DEVELOPER or CITY occurring while they are on any premises owned, operated or controlled by CITY for any reason except to the extent such injury is caused by the act, error or omission, including negligence, of CITY.

(ii) either a construction contract entered into by (i) DEVELOPER under the terms of this Agreement, or (ii) DEVELOPER on behalf of the CITY;

(iii) a breach of any contract, covenant, representation or warranty made by DEVELOPER in this Agreement; and

(iv) any responsibility, claim, damage, loss, liability or obligation resulting or arising from or out of or otherwise occurring in connection with this Agreement and the construction, financing and installation of the Improvements or any Public Improvements.
(v) any person’s use or occupancy of any part of the Development Area, including the Improvements or any Public Improvements, and any act undertaken, or agreement entered into, by DEVELOPER in furtherance of this Agreement.

(c) ASSIGNMENT. Neither this Agreement nor any obligations hereunder shall not be assigned to without the express written consent of CITY which may be withheld in CITY’s sole discretion.

(d) WAIVER. A waiver by any Party of any default, breach or failure of another shall not be construed as a continuing waiver of the same or of any subsequent or different default, breach or failure.

(e) GOVERNING LAW. This Agreement shall be governed exclusively by its provisions and by the laws of the State of Nebraska except to the extent such provisions may be superseded by applicable federal law regulation, in which case the latter shall apply.

(f) ENTIRE AGREEMENT.

(i) This Agreement, and the Exhibits and documents referenced in this Agreement (which are intended to be and hereby are specifically made a part of this Agreement whether or not so stated) express the entire understanding and all agreements of the PARTIES. Specifically, this Agreement supersedes any prior written or oral agreement or understanding between any of the PARTIES, whether individually or collectively concerning the subject matter hereof.

(ii) This Agreement may be modified only by a written agreement, executed by all PARTIES; provided that the PARTIES agree, without cost to the CITY, to conform this Agreement and all performance obligations hereunder to the requirements of any applicable laws, rules, regulations, standards and specifications of any governmental agency with jurisdiction over any such matter, including any amendment or change thereto.

(iii) This Agreement shall not be construed to be a joint venture or a lease among any of the Parties. Notwithstanding the preceding sentence, whenever any provision of this Agreement has reference to a performance obligation or requirement of the CITY and the DEVELOPER, such performance obligation or requirement shall be the joint and several obligation or requirement of the CITY and the DEVELOPER, whether or not so stated, unless otherwise specifically stated.

(g) NOTICES, CONSENTS AND APPROVAL. All payments, notices, statements, demands, requests, consents, approval, authorizations or other submissions required to be made by the PARTIES shall be in writing, whether or not so stated, and shall be deemed sufficient and served upon the other only if sent by United States registered mail, return receipt requested, postage prepaid and addressed as follows:
For DEVELOPER:                      Omaha State Bank
Attn: James F. Suing                  Attn: James F. Suing
12100 West Center Road               12100 West Center Road
Omaha, Nebraska 68144                Omaha, Nebraska 68144

With Copy to:                        Fullenkamp, Doyle & Jobeun
Attn: Larry A. Jobeun                 Attn: Larry A. Jobeun
11440 West Center Road               11440 West Center Road
Omaha, Nebraska 68144                Omaha, Nebraska 68144

For CITY:                            City Clerk
City of Papillion                    City of Papillion
122 East Third Street                122 East Third Street
Papillion, NE 68046                  Papillion, NE 68046
AND
Public Works Director
City of Papillion
122 East Third Street
Papillion, NE 68046

Such address may be changed from time to time by notice to all other PARTIES.

(h) **NON-DISCRIMINATION.** In performing under this Agreement, no PARTY shall
discriminate against any persons on account of disability, race, national origin, sex, age, and
political or religious affiliations in violation of any applicable laws, rules and regulations of any
governmental agency with jurisdiction over any such matter.

(i) **MISCELLANEOUS.** Unless otherwise specified, all references in this Agreement
to Exhibits, numbered paragraphs or Sections shall mean those Exhibits attached to this Agreement,
which are incorporated into this Agreement as if fully set out herein, and those numbered
paragraphs and Sections of this Agreement.

(j) **APPROVAL OF PLAT.** DEVELOPER acknowledges that CITY’s approval of
the Plat, passed and approved by the Papillion City Council on ______________, 2005, are
each specifically subject to and conditioned on the DEVELOPER’s entering into and complying
with this Agreement.

(k) **MIXED USE DEVELOPMENT AGREEMENT.** The PARTIES have
simultaneously herewith entered into a Mixed Use Development Agreement, a copy of which is
attached hereto and incorporated herein by reference as if fully set out herein, and the terms of
said Mixed Used Development Agreement shall be considered as, and treated as, terms of this
Development/Subdivision Agreement.
IN WITNESS WHEREOF, the PARTIES have executed this Agreement as of the date and year first above written.

ATTEST: CITY OF PAPILLION, a municipal corporation of the first class

City Clerk

CITY OF PAPILLION, a municipal corporation of the first class

By: Mayor Date

APPROVED AS TO FORM: Attorney for City of Papillion

Attorney for City of Papillion

ATTEST: OMaha STATE BANK, a Nebraska banking corporation,

Clerk

Secretary

ATTEST: By: AV. President

APPROVED AS TO FORM: Attorney for Developer

Attorney for Developer