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**AMENDMENT NO. 2  
UTILITIES SEPARATION AGREEMENT  
ARK**

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The City of Lemoore, a public body, corporate and politic ("City"), and ARK Partners, ("ARK") enter this Amendment No. 1, effective as of September 20, 2006 (the "Effective Date").

**RECITALS:**

- A. Pursuant to Utilities Separation Agreement between City and ARK, dated October 13, 2005 (the "Agreement") and Amendment No. 1, dated September 20, 2006, the parties agreed that ARK shall be responsible for certain obligations related to the separation of public utilities (water and electrical power) currently serving the properties located at 711 W. Cinnamon Drive (the "City Property") and 941 W. Cinnamon Drive (the "ARK Property", formerly a portion of 711 W. Cinnamon Drive).
- B. Under the Agreement, ARK has one year from the date of Agreement to complete the separation of the utilities otherwise the \$100,000 letter of credit from ARK will be presented to Bank of America for payment to City.
- C. Under Amendment No. 1, ARK has until April 13, 2007 to complete the separation of the utilities otherwise the \$100,000 letter of credit from ARK will be presented to Bank of America for payment to City.
- D. By letter of March 13, 2007, ARK requested a ninety (90) day extension of the Agreement. City has determined that extension of the Agreement until July 31, 2007 on the terms provided below is in the best interests of the City and the public.

Therefore, City and ARK agree as follows:

**AMENDMENT:**

- 1. The timeline as stated in the Agreement is amended to provide that the separation of utilities (water and electrical power) shall be complete no later than July 31, 2007.
- 2. Except as provided in paragraph 1, the Agreement is unchanged and remains in full force and effect.

ARK: ARK Partners

CITY: City of Lemoore

By \_\_\_\_\_

By \_\_\_\_\_

Jeff Briltz, City Manager

Title \_\_\_\_\_

All signatures must be notarized