

CONTRACT

THIS AGREEMENT, made this 2nd day of April,
2004, by and between the STATE OF HAWAII, by its Director of Transportation,
hereinafter referred to as "STATE", and ALBERT C. KOBAYASHI, INC., whose
business/post office address is 94-535 Ukee Street, Waipahu, Hawaii 96797
hereinafter referred to as "CONTRACTOR";

WITNESSETH: That for and in consideration of the payments hereinafter
mentioned, the CONTRACTOR hereby covenants and agrees with the STATE to
complete in place, furnish and pay for all labor and materials necessary for "FORT
WEAVER ROAD WIDENING NEAR LAULAUNUI STREET, OAHU, FEDERAL-AID
PROJECT NO. CMAQ-076-1(8)", or such a part thereof as shall be required by the
STATE, the total amount of which labor, material and construction shall be computed at
the unit and/or lump sum prices set forth in the attached proposal schedule and shall be
the sum of SIX MILLION THIRTY THOUSAND EIGHT HUNDRED TWENTY NINE
AND 30/100 DOLLARS (\$6,030,829.30) as follows:

AMOUNT FOR COMPARISON OF BIDS.....\$6,030,829.30

which sum shall be provided from the following funds:

Federal Funds.....	\$4,824,042.83
State Funds.....	1,206,010.71
Verizon Hawaii, Inc. Funds.....	775.76
TOTAL AMOUNT.....	\$6,030,829.30

all in accordance with the specifications, the special provisions, if any, the notice to
bidders, the instructions to bidders, the proposal and plans for Federal-Aid Project No.
CMAQ-076-1(8), and any supplements thereto, on file in the office of the Director of

Transportation. These documents, together with all alterations, amendments, and additions thereto and deductions therefrom, are attached hereto or incorporated herein by reference and made a part of this contract.

The CONTRACTOR hereby covenants and agrees to complete such construction within TWO HUNDRED FIFTY WORKING days from the date indicated in the notice to proceed from the STATE subject, however, to such extensions as may be provided for under the specifications.

For and in consideration of the covenants, undertakings and agreements of the CONTRACTOR herein set forth and upon the full and faithful performance thereof by the CONTRACTOR, the STATE hereby agrees to pay the CONTRACTOR the sum of SIX MILLION THIRTY THOUSAND EIGHT HUNDRED TWENTY NINE AND 30/100 DOLLARS (\$6,030,829.30) in lawful money, but not more than such part of the same as is actually earned according to the STATE's determination of the actual quantities of work performed and materials furnished by the CONTRACTOR at the unit or lump sum prices set forth in the attached proposal schedule. Such payment, including any extras, shall be made, subject to such additions or deductions hereto or hereafter made in the manner and at the time prescribed in the specifications and this contract. In any event, THREE HUNDRED ONE THOUSAND FIVE HUNDRED FORTY TWO AND NO/100 DOLLARS (\$301,542.00) in lawful money shall be provided as extras from the following funds:

Federal Funds.....	\$241,202.57
State Funds.....	60,300.64
Verizon Hawaii, Inc. Funds.....	38.79
Total.....	\$301,542.00

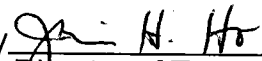
Where Federal funds are involved, it is covenanted and agreed by and between the parties hereto that the sum of FOUR MILLION EIGHT HUNDRED TWENTY FOUR THOUSAND FORTY TWO AND 83/100 DOLLARS (\$4,824,042.83) and TWO HUNDRED FORTY ONE THOUSAND TWO HUNDRED TWO AND 57/100 DOLLARS (\$241,202.57), a portion of the contract price and extras, respectively, shall be paid out of the applicable Federal funds, and that this contract shall be construed to be an agreement to pay said sums to the Contractor only out of the aforesaid Federal funds if and when such Federal funds shall be received from the Federal Government, and that this contract shall not be construed to be a general agreement to pay said portions at all events out of any funds other than those which may be so received from the Federal Government; provided, that if the Federal share of the cost of the project is not immediately forthcoming from the Federal Government, the STATE may advance the CONTRACTOR the anticipated Federal reimbursement of the cost of the completed portions of the work from funds which have been appropriated by the STATE for its pro rata share.

The CONTRACTOR further agrees to execute the attached non-gratuity affidavit form prior to payment of the final payment by the STATE.

All words used herein in the singular shall extend to and include the plural. All words used in the plural shall extend to and include the singular. The use of any gender shall extend to and include all genders.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed the day and year first above written.

STATE OF HAWAII

By 
Its Director of Transportation

ALBERT C. KOBAYASHI, INC.

By 
Russell Young, President

By _____