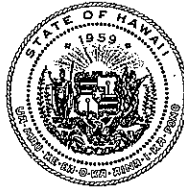


LINDA LINGLE  
GOVERNOR



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STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION  
869 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813-5097

IN REPLY REFER TO:  
CON 5.9959

April 14, 2009

VIA CERTIFIED MAIL AND FACSIMILE TRANSMISSION

Mr. William J. Wilson  
President  
Hawaiian Dredging Construction Company  
P.O. Box 4088  
Honolulu, Hawaii 96812-3232

Dear Mr. Wilson:

Re: Queen Kaahumanu Highway Widening Phase 2, Kealakehe Parkway to Keahole  
Airport Road, Federal Aid Project No. NH-019-1(38) ("Project")

We regret to inform you that the proposal submitted by Hawaiian Dredging Construction Company for the subject project has been rejected as non-responsive.

This rejection is based on the failure of all proposals to meet the requirements of the solicitation in a material respect. Our decision follows the Office of Administrative Hearings ("OAH"), Department of Commerce and Consumer Affairs, Hearings Officer's decision on April 3, 2009 (reference Hearing No. PCH 2009-1). In this decision, the OAH Hearings Officer found, among other things, that the technical provisions of the RFP state that: "[t]he construction phasing and traffic control around the work areas shall contain...(2)-11 feet wide travel lanes minimum; ten feet wide paved shoulder on both sides for pedestrians and bicyclists..." Based in part on this finding, the Hearings Officer concluded that Goodfellow Bros. Co.'s proposal failed to meet the requirements of the RFP in a material respect and, pursuant to section 3-122-97, Hawaii Administrative Rules, should be rejected. Based upon the Hearing Officer's reasoning, all proposals failed to meet the requirements of the RFP in a number of materials respects and must therefore be rejected.

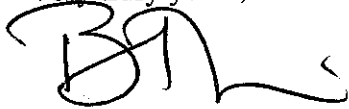
Mr. William J. Wilson  
Hawaiian Dredging Construction Company  
Page 2  
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CON 5.9959

Our intent is to advertise a new solicitation utilizing the competitive sealed proposal procurement process.

Thank you for submitting a proposal.

Very truly yours,

A handwritten signature in black ink, appearing to read 'BM', with a stylized flourish extending to the right.

BRENNON T. MORIOKA, Ph.D., P.E.  
Director of Transportation