

COASTAL PLANNING & ENGINEERING OF NORTH CAROLINA, INC.

4038 MASONBORO LOOP ROAD, WILMINGTON, NC 28409

910-791-9494 PHONE 910-791-4129 FAX

February 16, 2015

Christopher Layton
Town Manager
Town of Duck
P.O. Box 8369
Duck, NC 27949

Subject: Invoices 1993615-R8-526 and 1993618-R8-526: Project Update

Dear Mr. Layton:

This letter serves as an update to you and your staff on CPE-NC's progress with regards to the Permitting and Design Services for the Town of Duck Beach Nourishment Project.

Invoice 1993615-R8-526 reflects our efforts in completing 90.0% of the permitting and design scope of work as of January 1, 2015. The increase from the previously reported completion of 85.0% of the scope reflects CPE-NC's efforts during the month of December, 2014. These efforts are associated with project management, the development of environmental documentation, and development of the draft engineering report.

Invoice 1993618-R8-526 reflects our efforts in completing 95.0% of the marine sand search investigation and borrow area design scope of work as of January 1, 2015. Note that the invoice distinguishes between the base cost of the sand search and the contingency associated with vibracores that may or may not be needed. The increase from the previously reported completion of 93.0% of the scope reflects CPE-NC's efforts during the month of December 2014. These efforts were associated with data analysis and development of the offshore sand resource investigation and borrow area design report.

Permitting and Design:

Throughout the month of December we continued coordination with the Bureau of Ocean Energy Management (BOEM) and the U.S. Army Corps of Engineers (USACE) on the Environmental Assessment (EA), Biological Assessment (BA), and Essential Fish Habitat assessment (EFH). In addition staff continued to develop the engineering design report.

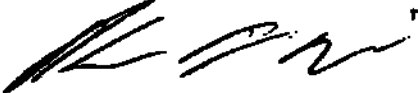
Marine Sand Search and Borrow Area Design:

During the month of December, CPE-NC staff worked on developing the offshore sand investigation report and reducing data collected during the detailed geophysical and cultural resource survey.

Please feel free to contact me anytime for further clarification or explanation of the project.

Very truly yours,

COASTAL PLANNING & ENGINEERING OF NORTH CAROLINA, INC.



Kenneth Willson
Project Manager