

COASTAL PLANNING & ENGINEERING OF NORTH CAROLINA, INC.

4038 MASONBORO LOOP ROAD, WILMINGTON, NC 28409

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

January 20, 2014

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

Subject: Invoices 1649158-R8-526 and 1647993-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 1649158-R8-526 reflects our efforts in completing 35.0% of the permitting and design scope of work as of January 1, 2014. The increase from the previously reported completion of 34.2.0% of the scope reflects CPE-NC's efforts during the month of December, 2013. These efforts are associated with finalizing the survey report, development of environmental documents and setup of SBEACH model runs.

Invoice 1647993-R8-526 reflects our efforts in completing 1.6% of the marine sand search investigation and borrow area design scope of work as of January 1, 2014. The agreement between CPE-NC and the Town of Duck covering this scope of work was executed on November 25, 2013. This invoice reflects CPE-NC's efforts from November 25 through December 31. These efforts are associated with coordination with Town staff as well as preparation and submittal of permit applications to the Bureau of Ocean Energy Management (BOEM) to conduct geological and geophysical surveys of offshore borrow areas. On December 5, 2013, CPE-NC submitted applications to conduct both geological and geophysical prospecting for sand sources in sub-sections of each of the areas surveyed during the washbore investigation conducted in September 2013.

Permitting and Design:

Throughout the month of December, we finalized the survey report, which was provided to the Town on January 8. The survey report includes methodology, survey control reports, plan view plots, and cross section plots of the beach profiles. Along with the hard copy of the report, digital copies of the survey data were also be provided.

During the month of December, we continued to develop the Draft Environmental Assessment (EA). Specifically, we utilized online services and worked directly with environmental resource agency personnel to acquire data pertaining to water quality monitoring, loggerhead nesting data and their critical habitat, and the bird species the red knot. This information was integrated in the Environmental Setting portion of the EA. Presently, we are continuing our coordination with various natural resource agencies regarding the acquisition of data for other aspects of the document.

Engineering staff also worked to prepare for SBEACH model simulations that will take place after the first of the year. The original simulations conducted during the feasibility study used pre-hurricane Irene and Sandy shoreline conditions. The updates will help us assess if additional structures are now vulnerable that were not identified during the feasibility study. This information will be used in developing a final beach fill design. Engineers worked on formatting the beach profile data collected in September for use in the SBEACH program.

Marine Sand Search and Borrow Area Design:

Through the month of December, CPE-NC personnel developed BOEM permit applications and submitted the packages to conduct offshore geological and geophysical investigations associated with borrow area identification. CPE-NC coordinated with agency representatives on several minor requests for additional information. Coordination

with subcontractors is also underway to try to lay out schedules for the upcoming investigations likely to begin in March.

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.

A handwritten signature in black ink, appearing to read 'K. Willson', is written over a light gray rectangular background.

Kenneth Willson
Project Manager