COASTAL PLANNING & ENGINEERING OF NORTH CAROLINA, INC.

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November 26, 2013

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

Subject: Invoice 1607720-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.

This first invoice reflects our efforts in completing 28.0% of the scope of work as of November 1, 2013. The increase from the previously reported completion of 20.1% of the scope reflects CPE-NC's efforts during the month of October, 2013. These efforts are associated with coordination with Town staff, development of the beach profile survey report, continued efforts on the engineering analysis, and development of environmental documents.

On October 11, 2013 CPE-NC held a meeting with the Towns of Duck, Kitty Hawk, and Kill Devil Hills, as well as County of Dare representatives. At the meeting CPE-NC presented preliminary results of the reconnaissance jet probe survey as well as a proposal to cost share the offshore sand search investigations for these projects.

Throughout the month of October, we developed a draft survey report that is currently being reviewed and will be provided to the Town in the coming weeks. The survey report will include 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 will also be provided.

Through the month of October we continued to develop baseline information and project specific information for the environmental documentation. As mentioned in previous project updates, we have coordinated with federal and state permitting agencies to create an outline for the Environmental Assessment (EA).

We continue the process of updating shoreline change rates using beach profile surveys and LiDAR surveys and calculating volume losses during Hurricane Sandy and Irene. Native beach samples collected along the beach during September underwent sieve analysis to determine sediment characteristics of the project beach. This information will be used to satisfy the state sediment criteria.

On Friday November 22, 2013, CPE-NC provided a proposal for the Town of Kill Devil Hill's portion of the Marine Sand Search Investigation and Borrow Area Design. We received a signed copy of the agreement from the Town on November 25, 2013, which provides notice to proceed. We are currently moving forward with applying for BOEM permit applications to begin offshore surveys associated with the Marine Sand Search Investigation.

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