

COASTAL PROTECTION ENGINEERING OF NORTH CAROLINA, INC.
SERVICES AGREEMENT
FIXED PRICE BASIS

All in accordance with the following terms and conditions.

1. **SCOPE OF SERVICES:** **COASTAL PROTECTION ENGINEERING OF NORTH CAROLINA, INC. ("CPE")** agrees to perform for the undersigned CLIENT, engineering and consulting ("Services") described in the attached Proposal and/or as follows:

PROPOSAL: 2026 PRE-CONSTRUCTION SERVICES FOR 2027 BEACH RENOURISHMENT, SOUTHERN SHORES, NORTH CAROLINA

2. **FEES, INVOICES AND PAYMENTS:** The Services associated with Tasks 1, 2, and 3 will be performed for the lump sum fee of **\$62,553.75 (Sixty-two thousand, five hundred fifty-three dollars and seventy-five cents).**

Invoices will be submitted by CPE no more frequently than every month, with payment due upon CLIENT'S receipt of invoice. Payment shall be in U.S. Dollars. CLIENT shall be responsible for payments (without deduction or offset from the total invoice amount) of any and all sales, use, value added, gross receipts, franchise and like taxes, tariffs and duties levied against CPE or its employees by any government or taxing authority. A service charge equal to one-half percent (1/2 %) per month, or the maximum rate permitted by law, whichever is less, will be added to all accounts which remain unpaid for more than thirty (30) calendar days beyond the date of the invoice. Should there be any dispute as payments to be made on a percent complete basis to any portion of an invoice, the undisputed portion shall be promptly paid.

3. **CLIENTS COOPERATION:** To assist CPE in performing the Services, CLIENT shall (i) provide CPE with relevant material, data, and information in its possession pertaining to the specific project

or activity, (ii) consult with CPE when requested, (iii) permit CPE reasonable access to relevant project sites, (iv) ensure reasonable cooperation of CLIENT's employees in CPE's activities, and (v) notify and report to all regulatory agencies as required by such agencies.

4. **CONFIDENTIALITY:** In the course of performing Services, to the extent that CLIENT discloses to CPE, business or technical information that CLIENT clearly marks in writing as confidential or proprietary, CPE will exercise reasonable efforts to avoid the disclosure of such information to others. Likewise, to the extent that CPE discloses to CLIENT, business or technical information that CPE clearly marks in writing as confidential or proprietary, CLIENT will exercise reasonable efforts to avoid the disclosure of such information to others.

Nothing herein is meant to prevent nor shall be interpreted as preventing either party from disclosing and/or using any information or data (i) when the information or data are actually known to the receiving party before being obtained or derived from the transmitting party, (ii) when information or data are generally available to the public without the receiving party's fault at any time before or after it is acquired from the transmitting party; (iii) where the information or data are obtained or acquired in good faith at any time by the receiving party from a third party who has the same in good faith and who is not under any obligation to the transmitting party in respect thereto; (iv) where a written release is obtained by the receiving party from the transmitting party; (v) three (3) years from the date of receipt of such information; or (vi) when required by process of law; or by North Carolina Public Records Law; provided, however, upon service of such process, the recipient thereof shall use reasonable efforts to

notify the other party and afford it an opportunity to resist such process.

5. **DELAYS AND CHANGES IN CONDITIONS:**

If CPE is delayed or otherwise in any way hindered or impacted at any time in performing the Services by (i) an act, failure to act or neglect of CLIENT or CLIENT's employees or any third parties; (ii) changes in the scope of the work; (iii) unforeseen, differing or changed circumstances or conditions including differing site conditions, acts of force majeure (such as fires, floods, riots, and strikes); (iv) changes in government acts or regulations; (v) delay authorized by CLIENT and agreed to by CPE; or (vi) any other cause beyond the reasonable control of CPE, then 1) the time for completion of the Services shall be extended based upon the impact of the delay, and 2) CPE shall receive an equitable compensation adjustment. Any such equitable adjustment shall be based on CPE's then current Time and Material Rates, as may be provided in a Rate sheet attached hereto.

6. **INSURANCE:** CPE is presently protected by Worker's Compensation Insurance as required by applicable law and by General Liability and Automobile Liability Insurance (in the amount of \$1,000,000 combined single limit) for bodily injury and property damage. Insurance certificates will be furnished to CLIENT on request. If the CLIENT requires further insurance coverage, CPE will endeavor to obtain said coverage, and CLIENT shall pay any extra costs therefor.

7. **INDEMNITIES:** CPE shall defend, indemnify and hold harmless CLIENT and its officers and employees from and against loss or damage to tangible property, or injury to persons, to the extent arising from the negligent acts or omissions or willful misconduct of CPE, its borrowed servants and their employer and its subcontractors, and their respective employees and agents acting in the course and scope of their employment. CLIENT shall defend, indemnify and save harmless CPE (including its borrowed servants

and their employers and its officers, and employees) from and against, any loss or damage to tangible property, or injury to persons, to the extent arising from the negligent acts or omissions or willful misconduct of CLIENT, its officers and employees.

8. **LIMITATIONS OF LIABILITY:**

- a. GENERAL LIMITATION - CLIENT'S SOLE AND EXCLUSIVE REMEDY FOR ANY ALLEGED BREACH OF WARRANTY BY CPE SHALL BE TO REQUIRE CPE TO REPERFORM ANY DEFECTIVE SERVICES. CPE'S LIABILITY AND CLIENT'S REMEDIES FOR ALL CAUSES OF ACTION ARISING HEREUNDER WHETHER BASED IN CONTRACT, WARRANTY, NEGLIGENCE, OR ANY OTHER CAUSE OF ACTION, SHALL NOT EXCEED EXCEPT FOR THE MUTUAL INDEMNIFICATIONS SET FORTH IN SECTION 7 ABOVE. IN THE CUMULATIVE AGGREGATE (INCLUDING ANY INSURANCE PROCEEDS) WITH RESPECT TO ALL CLAIMS ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHATEVER MINIMUM AMOUNT MAY BE REQUIRED BY LAW OR, IF NONE, THE AMOUNT OF COMPENSATION FOR SUCH SERVICES,
- b. CONSEQUENTIAL DAMAGES: FURTHER AND REGARDLESS OF ANY OTHER PROVISION HEREIN, CPE SHALL NOT BE LIABLE FOR ANY INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOSS OF PROFITS, DECLINE IN PROPERTY VALUE, REGULATORY AGENCY FINES, LOST PRODUCTION OR LOSS OF USE) INCURRED BY CLIENT OR FOR WHICH CLIENT MAY BE LIABLE TO ANY THIRD PARTY OCCASIONED BY THE SERVICES OR BY APPLICATION OR USE OF REPORTS OR OTHER WORK PERFORMED HEREUNDER.

9. **GOVERNING LAWS:** This Agreement shall be governed and construed in accordance with the laws of the State of North Carolina.

10. **TERMINATION:** Either party may terminate this Agreement with or without cause upon forty five (45) days' written notice to the other party. Upon such termination, CLIENT shall pay CPE for all Services performed hereunder up to the date of such termination. In addition, if CLIENT terminates, CLIENT shall pay CPE all reasonable costs and expenses incurred by CPE in effecting the termination, including, but not limited to non-cancelable commitments and demobilization costs.

11. **ASSIGNMENT:** Neither CPE nor CLIENT shall assign any right or delegate any duty under this Agreement without the prior written consent of the other, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, CPE may, upon notice to CLIENT, assign, pledge or otherwise hypothecate the cash proceeds and accounts receivable resulting from the performance of any Services or sale of any goods pursuant to this Agreement.

12. **MISCELLANEOUS:**

a. **ENTIRE AGREEMENT, PRECEDENCE, ACCEPTANCE MODIFICATIONS:** The terms and conditions set forth herein constitute the entire understanding of the Parties relating to the provisions of the Services by CPE to the CLIENT. All previous proposals, offers, and other communications relative to the provisions of these Services by CPE, oral or written, are hereby superseded, except to the extent that they have been expressly incorporated by reference herein. In the event of conflict, the three pages of this Agreement shall govern. CLIENT may accept these terms and conditions by execution of this Agreement or by authorizing CPE to begin work. Any modifications or revision of any provisions hereof or any additional provisions contained in any purchase order, acknowledgement or other document issued by the CLIENT is hereby

expressly objected to by CPE and shall not operate to modify the Agreement.

b. **DISPUTES, ATTORNEY FEES** – Any dispute regarding this Agreement or the Services shall be resolved first by exchange of documents by senior management of the parties, who may be assisted by counsel. Any thereafter unresolved disputes shall be litigated in the state whose law governs under Section 9 hereunder. In any litigation, the Prevailing Party shall be entitled to receive, as part of any award or judgment, eighty percent (80%) of its reasonable attorneys' fees and costs incurred in handling the dispute. For these purposes, the "Prevailing Party" shall be the party who obtains a litigation result more favorable to it than its last formal written offer (made at least twenty calendar days prior to the formal trial) to settle such litigation.

c. **WAIVER OF TERMS AND CONDITIONS** - The failure of CPE or CLIENT in any one or more instances to enforce one or more of the terms or conditions of this Agreement or to exercise any right or privilege in the Agreement or the waiver by CPE or CLIENT of any breach of the terms or conditions of this Agreement shall not be construed as thereafter waiving any such terms, conditions, rights, or privileges, and the same shall continue and remain in force and effect as if no such failure to enforce had occurred.

d. **NOTICES** – Any notices required hereunder may be sent by orally confirmed US Mail, courier service (e.g. FedEx), orally confirmed telecopy (fax) or orally confirmed email (further confirmed by US Mail) to the addresses set forth below.

e. **SEVERABILITY AND SURVIVAL** - Each provision of this Agreement is severable from the others. Should any provision of this Agreement be found invalid or unenforceable, such provision shall be ineffective only to the extent required by law, without invalidating the remainder of such provision or the remainder of this Agreement.

Further, to the extent permitted by law, any provision found invalid or unenforceable shall be deemed automatically redrawn to the extent necessary to render it valid and enforceable consistent with the parties' intent. The terms and conditions set forth herein shall survive the termination of this Agreement.

CLIENT and CPE agree to the foregoing **(INCLUDING THE LIMITATIONS ON LIABILITY IN SECTIONS herein)** and have caused this Agreement to be executed by their duly authorized representatives as of the date set forth below.

Executed on _____, 2026

**COASTAL PROTECTION ENGINEERING OF
NORTH CAROLINA, INC.**

By (Sign): _____

Print Name: Kenneth Willson

Title: Officer

Address: 4038 Masonboro Loop Road,

Wilmington, North Carolina, 28409

Phone: (910) 399-1905

Fax: N/A

E-mail: kwillson@coastalprotectioneng.com

Attachments: Exhibit A – Scope of Services
 Exhibit B – Breakdown of Cost

**TOWN OF SOUTHERN SHORES,
NORTH CAROLINA**

By (Sign): _____

Print Name: _____

Title: _____

Address: _____

Phone: _____

Fax: _____

E-mail: _____

EXHIBIT "A"
SCOPE OF PROFESSIONAL SERVICES
SOUTHERN SHORES, NORTH CAROLINA
PRE-CONSTRUCTION SERVICES FOR 2027 RENOURISHMENT

Coastal Protection Engineering of North Carolina, Inc. (hereinafter "CPE") proposes to provide professional services to the Town of Southern Shores (hereinafter the "TOWN"), associated with Pre-Construction Services for the proposed 2027 Beach Renourishment Project. The services include preparation of construction plans and specifications, contractor bidding assistance and selection, and pre-construction coordination. These services are provided cooperatively for the Towns of Duck, Southern Shores, Kitty Hawk, and Kill Devil Hills, with each Town's costs reflecting their proportionate share of the total effort. Each task is described in detail in the following sections.

TASK 1 – CONSTRUCTION PLANS AND SPECIFICATIONS

Construction plans and specifications will be prepared cooperatively for the beach nourishment projects proposed for the Towns of Duck, Southern Shores, Kitty Hawk, and Kill Devil Hills. A separate set of construction plans will be prepared for each of the Town's projects. These plans will include plan views and cross-sections sufficient for the construction of the Project. This will include detailed design layouts for the beach fill placement. This proposal assumes the project will require the removal of sand from multiple offshore borrow areas. The location and allowable dredge cut depths of the offshore borrow areas will be delineated and indicated on the drawings. This proposal also assumes the collective 4-Towns project will include the construction of a beach fill along approximately 9,000 feet of beach at Duck, 20,000 feet of beach at Southern Shores, 20,000 feet of beach at Kitty Hawk, and 14,000 feet at Kill Devil Hills. The plans will also provide survey monumentation information which will allow the contractor to control and construct the beach nourishment project.

The specifications to be developed for the combined project will be divided into two general categories. The first section will include bidding requirements and contract forms for retention of construction contractors. Bidding requirements will include the Invitation to Bid, Instructions to Bidders, Bid Form and other appropriate documents. CPE will develop the bid form. The bidding requirements will also address the bid bond required for the project. This section will also include the contract forms. The section will also include such items as the Certificate of Corporate Authority, Acknowledgments of the Contractor, Performance and Payment Bonds, Final Receipt, and any special instructions.

The second section of the specifications will include General Conditions, Technical Provisions and Environmental Protection. The General Conditions portions of the contract will include information related to the commencement, prosecution and completion of the work. It will address such issues as liquidated damages, performance of work by the contractor and subcontractors, and a designation of certain contractor personnel for tasks such as project superintendent. Supplemental General Conditions are project related and will describe the layout of the beach fill, address mobilization and demobilization from the project area and acceptance sections for beach fill. It will identify the method of payment to the contractor and the clauses for liquidated damages, if necessary. Project details of a general nature will be included in this section. Lastly, this section includes the Owner's right to terminate the contract,

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liability insurance, liens and other legal issues. CPE will prepare the supplemental General Conditions.

The Technical Provisions will identify the work to be accomplished. It will include the order of work, the project schedule, excavation requirements, beach fill requirements, grading requirements and other issues related to construction. It will address issues such as clean-up, nighttime operations and beach tilling, if required by the State. A QA/QC Plan approved by USACE and DCM will be incorporated into these provisions.

A section on environmental protection will be included in the specifications. This section will identify the important clauses contained in, or anticipated to be included in, the permits. Copies of permits received for the project will also be included. The contractor will be advised that he/she is required by law to abide by all the conditions provided by Federal and State permits and licenses for the project. Issues to be addressed in this section include turbidity control, protection of environmental resources, restoration of landscape damage, maintenance of pollution control facilities, and a requirement for an environmental protection plan.

The construction contract, plans, and specifications will be submitted for review to both the Town and Dare County ("COUNTY"), who will formally bid the contract. Comments received will be addressed and incorporated into a final bid package. The bid package will be provided to the COUNTY who will be responsible for advertising the project and soliciting to prospective contractors.

TASK 2 – CONTRACTOR BIDDING, SELECTION & NEGOTIATIONS

CPE will assist the COUNTY and the Towns with the selection of a dredge contractor for the 2027 Beach Renourishment project. The COUNTY's purchasing department will manage the bidding process with assistance from CPE. Plans and specifications will be made available for distribution to all interested contractors. CPE will provide a list of eligible contractors to the COUNTY for bidding purposes. In conjunction with the COUNTY and the Towns, CPE will conduct a pre-bid conference, inviting contractors to attend. The pre-bid conference will provide an opportunity to describe the project and to solicit questions from potential contractors. The conference will be conducted at the project site and a tour will be conducted with the potential contractors of the project site to answer any additional questions. The COUNTY and TOWN representatives will be on hand to address issues related to infrastructure, Owner requirements and any other issues affecting the local government. The potential contractors will be provided thirty (30) days to submit a bid for the project. CPE will answer questions during bidding and issue addenda as required. CPE will be present for the bid opening and will assist the COUNTY and the Towns in reviewing the bids and evaluation of the low bidder, taking into consideration the capability of the contractor (low bidder) in constructing the project. CPE will provide the COUNTY and the Towns a recommendation concerning the

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selection of the contractor. CPE will assist in negotiating with the low bidder. CPE personnel will be available to appear before the County Commission and or Town Council and answer questions concerning the contractor recommendation.

TASK 3 – PRE-CONSTRUCTION COORDINATION

CPE will assist the COUNTY and the Towns during the pre-construction phase of the beach nourishment project. CPE will attend up to five (5) pre-construction coordination meetings (including the pre-construction conference) between the County, Towns, and/or contractor and provide services to coordinate between the entities prior to the commencement of construction operations. Such coordination items include, but are not limited to, design clarifications and consultations, identification assistance of beach accesses and storage areas, borrow area design considerations, permit compliance, interpretation of contract documents, and constructability challenges regarding existing structures.

CPE will review the construction contractor's work plan, shop drawings and submittals to determine compliance with the plans and specifications. Upon completion of the review, CPE will submit to the COUNTY and the Towns recommended changes or a written approval of the contractor's work plan, shop drawings, and submittals. The proposed budget for this task also includes review of one round of work plan revisions from the construction contractor. Recommended changes or written approval will be submitted to the COUNTY and Towns in digital format as applicable.

EXHIBIT B:
BREAKDOWN OF COSTS
TOWN OF SOUTHERN SHORES, NORTH CAROLINA
PRE-CONSTRUCTION SERVICES FOR 2027 RENOURISHMENT

Table 1. Breakdown of costs for Pre-Construction Services associated with the proposed 2027 Beach Renourishment Project (Tasks 1 – 3). Tasks 1, 2, and 3 are shared services among the Towns of Duck, Southern Shores, Kitty Hawk, and Kill Devil Hills. Costs shown reflect the Town of Southern Shores's proportionate share (25%) of the total effort.

TASK	DESCRIPTION	COST
1	Construction Plans & Specifications	\$43,590.00
2	Contractor Bidding, Selection & Negotiations	\$6,333.75
3	Pre-Construction Coordination	\$12,630.00
TOTAL:		\$62,553.75