

## SIKU Constructs First LEED Silver Certified Building Above the Arctic Circle

The Barrow Weather Service Office and Upper Air Inflation Shelter facility was recently awarded U.S. Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) Silver Certification for New Construction. "LEED for New Construction is a rating system for buildings that was designed to guide and distinguish high performance buildings that have less of an impact on the environment, are healthier for those who work in the building, and are more profitable than their conventional counterparts" (USGBC definition).

SIKU was contracted by the National Oceanic and Atmospheric Administration (NOAA) to design and construct a new 3,000 square foot facility composed of an office, conference room, kitchen,

instrument maintenance, garage, standby power generation, and a radome and balloon launch structure to serve NOAA in its weather forecasting functions. This facility's purpose is to inflate, launch, and track weather balloons twice per day, 365 days per year and was designed for continual operation in extreme arctic conditions with temperatures ranging from -45° F to +70° F.

SIKU coordinated activities with Larsen Consulting for overall design, UIC Construction for construction support, and Udelhoven and RSA Engineering, Inc. for mechanical

and electrical components.

Requirements for this project included energy efficiency, durability, and low operations and maintenance costs. Simple mechanical and electrical systems were designed and constructed to provide easy maintenance and long-term energy efficient operation. This

**continued on page 3**



*Barrow Weather Service Office and Upper Air Inflation Shelter facility.*

### INSIDE

President's Message	2
Gulf of Mexico Volunteers	4
Best Season Yet for BTC	4
UMIAQ Resodding Project	5
Honoring Our Elders	6
Employee News	6
Stryker Barge Recovery	7

## UHI Welcomes New Management

Sandra Stuermer, formerly with UIC's finance department in Anchorage, returned home to Barrow this fall to take a position as UIC's Vice President, Barrow Operations. In this capacity she heads up UHI, a first-tier subsidiary of UIC. Stuermer oversees UHI business activities and is also charged with overseeing UIC's Title 1 contract at the Samuel Simmonds Memorial Hospital, which includes food service, laundry, housekeeping, night watch/ reception, and building maintenance, as well as ensuring that the hospital is

in a safe and effective operating condition at all times.

Stuermer commented that she is pleased to be home again and enthusiastic about the potential to improve and grow the services that UHI currently offers, especially in view of the new hospital being built in Barrow. "I am excited about the new hospital construction which is targeted for completion in late 2012. It will allow Arctic Slope Native Association (ASNA) and UIC to better serve the people of the North Slope. We are proud

**continued on page 5**

## Chairman's Message

Dear fellow UIC shareholders, 2010 has been a year of necessary changes and decisions for UIC's Board of Directors (BOD) and our Executive Management team to position the company for long-term success and in the best interest of our shareholders, employees, and clients.

As explained in the recent letter to all shareholders, there has been a change in UIC's leadership. The board is pleased that Mr. Chris Morgan (Chief Financial Officer [CFO]) has accepted the position of interim CEO. We ask that you support Mr. Morgan in this interim role, as well as his continued capacity as CFO, and as an integral part of the Executive Management team.

In September, the BOD held a retreat to focus on taking a long hard look at itself and its alignment towards meeting our commitment to our shareholders and company. The most significant result of the retreat

may be summed up in one word: atautchinmun or "coming together." The BOD recognizes the need to come together as a unified team, while not losing sight of individual identity, in order to define our path forward and follow through with honesty and integrity in planning and decision-making.

With the leadership, expertise, and hard work of the UIC Executive Team and supporting staff, UIC has successfully secured additional bank funding which is crucial to our business longevity. Now the next phase of the continuous improvement process begins, UIC's Executive Management is in the process of developing a business plan for fiscal year 2011 that correlates with the BOD's vision, mission, and objectives. The financial portion of the business plan will be presented to the BOD during a two-day workshop in December and a long-range strategic business plan will be rolled out at the beginning of the second quarter of 2011.

As we head into the Holiday season I wish you all a safe and joyful time with family and friends.

Tavra. Quyanaq.



Raynita "Taquilik" Hepa  
Chairman, UIC Board of Directors

## Chief Executive Officer's Message

Dear UIC shareholders,

I am honored that the BOD has chosen me as interim CEO and will continue to work closely with other members of the Executive Management team to provide value to UIC and its shareholders. As the end of the year nears this is both a time of reflection and forward-thinking as staff begin to work on their business and financial plans for the coming year. Even more than years past, we find ourselves at a place of change which presents an opportunity to develop a strategy to move forward as a financially and operationally healthier company for the long term.

UIC Executive Management continues to advance the implementation of a company-

wide improvement process which includes the consolidation of business units along similar service lines and the creation of regionalized shared services. As part of this improvement process, Executive Management took an in-depth look at the UIC Family of Companies operations and profitability. Two results of this analysis were the sale of Umialik Insurance Company and Rain Proof Roofing. A definitive sales agreement has been signed with Western National Insurance Group of Minnesota for the sale of 100% of Umialik's stock. Umialik will continue to operate locally in Alaska under the management and control of Western National Insurance Group. Rain Proof Roofing is an asset sale and the new owners will retain use of the Rain Proof

Roofing brand. We wish both these companies future success under their new ownership.

Sincerely,



Chris Morgan  
CEO (interim) and CFO, UIC

## Board of Directors

### Chairman



Raynita B. Taqulik Hepa

### Vice Chairman



Doreen M. Piquik Knodel

### Vice President



Herman L. Qallu Ahsoak

### Treasurer/Secretary



Anthony E. Sakiq Edwardsen

### Director



Forrest "Deano" Apayauq Olemaun

### Director



Fred Simmik Kanayurak

### Director



Max Egasak Ahgeak

### Director



Tara MacLean Katuk Sweeney

### Director



Richard Aqiviana Ungarook, Sr.

## SIKU LEED continued from front page

project used interior materials and installation methods that reduce the level of indoor pollutants providing a healthier working environment. The facility was constructed atop an insulated gravel pad and pilings were used to minimize impacts to permafrost.

Other elements included air-tight construction with high R-value (a measure of thermal resistance), and user-adjustable zoned thermal and lighting controls to accommodate a 24-hour rotating occupancy throughout the annual arctic weather swings.

Despite a limited time for construction due to the compacted building season on the North Slope, SIKU was able to meet the customer's expectations while minimizing the impact to the environment. As a client stated, "This is an exceptional accomplishment in a very challenging location!"

## Monica Edwardsen Accepts Operations Assistant Position



Monica Edwardsen, a UIC shareholder descendent, was raised in Barrow, Alaska. She moved from Barrow

to Anchorage in 2009, after attending Sheldon Jackson College in Sitka for one year and the University of Alaska Southeast in Juneau for a semester. Monica came to UIC as part of the Shareholder Training Program and was soon hired as a full-time UMIAQ employee. She initially worked as a Receptionist, and from there was promoted to Accounting Assistant. In this

position, she began learning a new accounting system with UMIAQ's then-Business Manager, Cindy McKenzie-Wolfe. Neither Cindy nor Monica had experience with the program, but Monica looked forward to the challenge of learning something new and soon taught herself the program.

Monica always dreamed of returning to college, but after her daughter Cheyenne was born in 2009, she knew it would be hard to find time. Monica is happy to have the chance to begin working her way up the professional ladder while also furthering her education by pursuing a degree in Logistics from the University of Alaska Anchorage. In her free time Monica enjoys being an active member of her

Native dance group and taking her daughter hiking. Her family, especially her daughter, is her biggest inspiration.

In July of this year, Monica accepted a position as UIC Operations Assistant under Cindy who is now UIC's Operations Analyst. "Monica is a great team player and is willing to jump in wherever needed. I look forward to working with Monica in her new role; this experience, coupled with her continued education, will not only be an asset to her, but to the UIC Family of Companies as well. I am excited to watch as she meets milestones and sets her course for the success that I know she will achieve," says Cindy.

## Best Season Yet for Bowhead Transport

Despite the unfortunate incident with the MV Stryker barge described on page 7, Bowhead Transport (BTC) celebrated its most successful shipping season in the company's 28-year history. On average, the company ships around 3,000 tons of freight on one northbound sailing. Due to a record amount of freight bookings this season, BTC moved 7,500 tons, which required the use of four ocean-going barges. Two key projects helped contribute

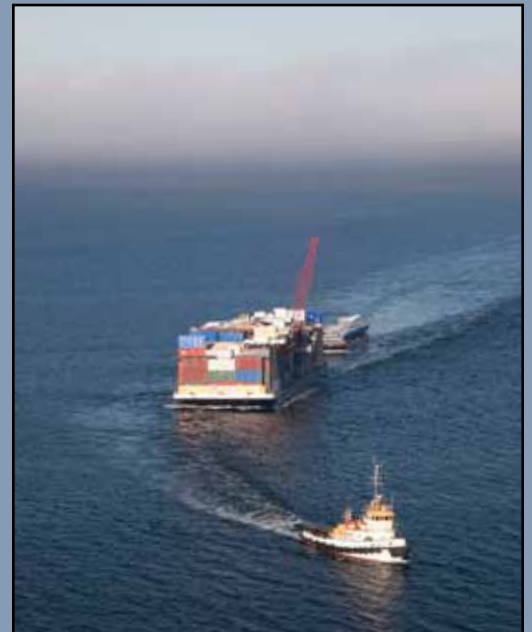
to this freight. BTC provided northbound and inter-port barge service to transport pilings, cranes and other construction materials for the new Barrow hospital. The company also utilized their shallow-draft landing craft and specialized cargo handling equipment to transport hazardous waste from the U.S. Air Force Short Range Radar Site in Wainwright.

In addition to these projects,

the company also safely transported over 30 vehicles, boats, ATVs, and snowmachines for shareholders. BTC would like to thank their hard working employees, many of whom are shareholders, shareholder descendants, and shareholder spouses. This record breaking 2010 season would not have been possible without their dedication and hard work.



Line haul barge Klinkwan towing the Callapooya barge, on the first BTC sailing of the season. The barges departed Puget Sound on July 4<sup>th</sup> carrying project freight for the Barrow hospital.



BTC tug Louis H. pulling the Madison Bay barge that departed Seattle on July 15<sup>th</sup> carrying additional hospital project freight, building materials, and four brand new vessels for UIC sister company UMIAQ.

## Staff Volunteer Time in Gulf of Mexico Recovery Effort

On April 20, 2010, 11 platform workers were killed when the Deepwater Horizon drilling rig exploded 50 miles off the Louisiana coast. This devastating incident is now being referred to as the largest offshore oil spill in United States history. Oil from the spill has reached, and is continuing to plague, ecologically sensitive areas off the Louisiana coast and impacting the Mississippi, Alabama, and Florida shorelines. Continuing efforts by British Petroleum (BP) (the operator of the drilling rig owned by Transocean Ltd.); President Obama and the U.S. government; numerous scientists, research teams and other involved officials are in effect to assist in the

management of containing the oil, reviving the ecological area and its wildlife, and mending the suffering economic climate in the affected areas.

The UIC Family of Companies has been assisting in the Gulf of Mexico recovery effort since June, providing site management, vessel management and other personnel services through contracts with BP and its prime subcontractors. Several Bowhead Technical & Professional Services employees of the Mobile and Pensacola offices are also devoting their own time to aid in the battle against this environmental threat by signing up to volunteer with

local organizations such as Mobile Baykeeper ([savethegulf.mobilebaykeeper.org](http://savethegulf.mobilebaykeeper.org)) to clean up beaches, assist in injured animal rescue projects, or to take training classes for hazardous waste cleanup. The volunteering employees will be going out on a trawler into the spill area to rescue injured sea turtles. The team will bring the animals back ashore to administer treatment and clean up, draw tissue and blood samples, tag them with satellite tracking sensors, and prepare them for release once deemed healthy. It is unknown where or when they will be released, but this will be the main focus of the turtle rescue project. The Bowhead team will be within

## UHI Welcomes New Management continued from front page

of the fact that as the Joint Commission on accreditation of healthcare organizations, the hospital ranks among the top hospitals nationwide in quality of service and high standards of patient safety. I am committed to continuing that tradition.”

UHI is also pleased to welcome another new appointment, Crystal Lynn Tula'i, as UHI General Manager. Crystal oversees the UIC Science Center, UIC Real Estate, and the UIC Development Company, which includes two auto shops, a car rental business and the company's natural gas division. One of the auto shops is a repair shop managed by Steve Watson, and the other is a vehicle body shop managed by Mike Lees. The UIC car rental business operations are under the management of Will Saganna. Tula'i also oversees UIC Real Estate, managed by Arnold Brower Jr., who administers both commercial and residential leases. Finally, Tulai will oversee UIC Science, led by Anne Jensen.

Since joining UHI, Stuermer and Tulai have overseen some much-needed facility upgrades, including moving the car rental operation into a larger, newly renovated space. Stuermer and Tulai also purchased a new software program that will greatly enhance customer efficiency of the rental operations. Moving forward, Tulai will focus on improvements to the vehicle

repair department, to ensure it remains a pleasant and safe work environment for employees. Steve Watson, manager, is working hard, with the goal of exceeding customer expectations and utilizing his workforce to maximize productivity.



*Front Row: Mona Tuckfield, Car Rental Agent; Ellen June Leavitt, UHI Assistant Controller; Sandra Stuermer, VP Barrow Operations; Anne Jensen, General Manager/Senior Scientist; and Mike Lees, Body Shop Manager.*

*Back Row: Miriam Aiken, UIC Real Estate Administrative Manager; Crystal Tulai, UHI General Manager; Steve Watson, LD Shop Manager and Tom Martelle, SSMH Project Manager.*

## UMIAQ Participates in L3 Resodding Project

UMIAQ's Design Division (formerly LCMF) worked in conjunction with ABR, Inc., a professional services consulting firm specializing in environmental and research services, to rehabilitate an 18,000 square foot area of tundra at the Lisburne Common Line Release site (L3) West of Prudhoe Bay. A spill occurred in November of 2009 when the 18-inch aboveground flow line – which transports a mixture of produced water, oil, and natural gas – ruptured. A 24-inch hole was found at the bottom of the pipe. Holes like the one found are regularly linked with an overpressure scenario, causing ice plugs to form inside the pipe. The pipeline was not in operation at the time of the incident. Nine UMIAQ employees were required to go through BP orientation and familiarize themselves with the safety requirements including a

North Slope Training Cooperative (NSTC) Refresher, 2010 Alaska Safety Handbook Rollout, Emergency Medical Services, and a Driver Safety Awareness class.

Work began July 25<sup>th</sup> at the L3 site after the tundra had warmed enough to be thawed at least 10 inches down from the surface, which is ideal for resodding. Small pieces of sod roughly 35 pounds, were cut from the ground with an excavator and removed by small loaders. From there, the sod was moved into the resodding project

area using a roller conveyor system. On-site supervisor Charlie Hopson acknowledged that the job went well and the tundra was successfully rehabilitated.



*UIC shareholder Jens Hopson Jr. moves pieces of sod using a roller conveyor system.*

# Honoring Our Elders: Original UIC Board Chairman Passes at 91

*Excerpted from September 17, 2010 Arctic Sounder Article*



Lloyd Tuquttag Ahvakana of Barrow died Sept. 10, 2010. Whaling captain, civic leader, family man, soldier and officer, corporate leader, and church elder, Lloyd held many leadership positions and dedicated his life to serving the North Slope community.

Lloyd was born in Barrow to Floyd and Laura Ahvakana on November 1, 1919. He grew up in a large traditional family, including his siblings Rex, Irene, Della, Steven, Nelson, Winford, Leslie, Molly, Nelson and Lizzie. He married Lucy Sakkaaluk Smith in 1945. Lucy had three children

from a previous marriage: Kate, John and Susie Smith. Lloyd and Lucy had two children together: Larry and Janice. They also had 11 grandchildren and 15 great grandchildren.

Lloyd came from a long line of whalers and subsistence hunters and was an umialik (whaling captain). Throughout his life, he worked tirelessly for the betterment of his people, the North Slope Inupiat, and all Alaskans. He served in the U.S. Army from 1941 to 1945 and in the Alaska National Guard from 1959 to 1971. He retired as a Lieutenant Colonel and was promoted to Colonel in 1973. At one time, he was the highest-ranking Inupiat serviceman.

Lloyd was a devout member of Utkeagvik Presbyterian Church. In 1972, he appealed to the national headquarters of the Presbyterian Church in Washington, D.C., for support in purchasing Revenue Anticipation Notes to help fund start-up costs for the North Slope Borough (NSB). The church council agreed, and their financial help was instrumental in the Borough's formation.

Lloyd served as the NSB's first Director of Administration and Finance, and during his 12-year tenure in this position he played a critical role in obtaining funding for basic infrastructure—power, roads, housing, public facilities and schools for all of the eight communities on the North Slope. Lloyd's other duties with the borough included Borough Clerk, Acting Mayor, and Chief Administrative Officer.

Lloyd was elected as the first chairman of UIC. He served on the UIC Board from 1973 to 1979. He also served on the board of Arctic Slope Regional Corporation (ASRC). Lloyd personified true loyalty to his homeland, Alaska, and the United States in the service. When he was called upon, Lloyd responded.

Lloyd Ahvakana will be sorely missed and always remembered for his devotion to his family and the people of Alaska.

## Employee News



**Dave Otterson, BHC President and General Manager** Dave Otterson has been named President and General Manager of Bowhead Holding Company (BHC) in Huntsville, Alabama. Dave has worked in the defense and aerospace industries for more than 20 years, and has demonstrated expertise in quality assurance, six sigma, manufacturing and product management. His

previous positions include Vice President of the Aero Structures Division and Mission Systems Group of Alliant Tech Systems, a global aerospace and defense company; President and Chief Executive Officer of Westwind Technologies Inc., a systems integration firm specializing in engineering, manufacturing, aircraft modification and maintenance, and contractor logistics

support; and Senior Director of Finance and Continuous Improvement at Wal-Mart Stores, Inc.



**George Snodgrass, UIC HSET Director**

George Snodgrass has been named HSET Director for UIC. George has more than 30 years of professional experience in the oil and gas and petrochemical industries. Prior to joining UIC, he provided consulting services to TOTAL E&P Alaska as their Anchorage-based HSE Manager, as well as assisted the U.S. Air Force, Kerr-McGee, ConocoPhillips,

and BP Exploration Alaska with engineering and HSE support. He has a bachelor's degree in chemical engineering from California State University and biology from Christopher Newport University.

# MV Stryker Barge Successfully Recovered

On September 14, 2010, the *MV Stryker*, a dual-purpose Integrated Tug-Barge (ITB) owned by Agviq Marine LLC and operated by Bowhead Transport Company for Pioneer Natural Resources Alaska, experienced a structural failure while motoring in the Beaufort Sea between Pioneer's Ooguruk Island and Oliktok Point. The barge section was partially split at the point where it connected with the house, or, "tug" section due to an apparent pin failure; the bow and forward barge sections of the ITB remained afloat while the after quarter of the tug section grounded on soft sediments in approximately nine feet of water. All four crew members on board promptly donned their survival suits, took refuge on the barge section, were safely evacuated following the incident and reported no injuries.

A light sheen was detected on the water shortly afterwards, and Alaska Clean Seas response vessels were deployed to place boom around the vessel as well as recover sheen found outside of the containment boom. Responders were dispatched to place additional absorbent boom inside the containment boom. Aerial surveillance flights were conducted to monitor for possible impact to wildlife, and two Crowley Marine Service tugs were present to support the spill response and recovery operations. The response was a cooperative effort that included guidance and oversight from federal, state and

local regulatory agencies.

Bowhead contracted with Global Diving and Salvage to assist in developing and implementing the salvage plan for removal of the cargo and recovery of the vessel. The fuel lightering operation for the barge was completed September 17.

The *MV Stryker* was successfully refloated and moved to Oliktok Point on September 21, and was secured while a U.S. Coast Guard survey was conducted and the cargo unloaded. It was then disassembled and trucked to Deadhorse by Peak Alaska, where the floats making up the barge section were partially disconnected and divided into seven pieces: the wheelhouse, four barge sections, the bow rake section and the ramp. It is currently staged at Peak's yard in Deadhorse awaiting further evaluation.

The successful recovery of the *MV Stryker* would not have been

possible without the support of Bowhead and UIC personnel, and the following entities:

- Alaska Clean Seas
- Alaska Department of Environmental Conservation
- BP Alaska
- Conoco Phillips of Alaska Inc.
- Crowley Marine Services
- ENI
- Global Diving & Salvage
- GBR Welding
- Ice Services
- Kuparuk Tool
- North Slope Borough
- The O'Brien's Group
- Peak Alaska
- Pioneer Natural Resources
- U.S. Coast Guard

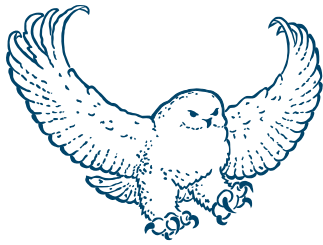
The UIC Family of Companies is grateful to all persons and entities involved in the *MV Stryker* recovery. The operation was conducted in a manner that ensured the safety of all personnel, controlled sources of potential fuel release, and protected the area's wildlife and environment.



*The MV Stryker onshore at Oliktok Point, Alaska.*



UMIAQ held a Team Building Workshop September 10 at the Crowne Plaza Hotel, Anchorage, Alaska. This was the first time that the entire staff had come together since the recent UMIAQ/LCMF merger and enjoyed getting to know each other better. They were also able to celebrate their past accomplishments and plan for working together as a team toward greater success.



**UKPEAĠVIK  
IÑUPIAT  
CORPORATION**

P.O. Box 890  
Barrow, AK 99723

FIRST CLASS PRSRT  
U.S. POSTAGE

**PAID**

ANCHORAGE, AK  
PERMIT #69

## Attention UIC Shareholders:

Do you have a change of address? Want your dividend direct deposited? Want to give part of your stock to your children or grandchildren?  
Forms for these items can be found on the UIC website at: [www.ukpik.com/stockforms.htm](http://www.ukpik.com/stockforms.htm)

### Gulf of Mexico Recovery Effort continued from page 4

25 miles of the shore and no more than 50 miles offshore, typically in water less than 10 fathoms. It has been said that it will take several years, perhaps decades, to restore the marshes, estuaries, and beaches to their pre-spill conditions.

If you are interested in helping the Gulf Coast, you can contribute by making a donation to the National Wildlife Federation ([www.nwf.org](http://www.nwf.org)) or the National Estuarine Research Reserve Association, Inc. ([www.crowdrise.com/gulfcoastresearchreserves/fundraiser/estuaries](http://www.crowdrise.com/gulfcoastresearchreserves/fundraiser/estuaries)).

### UIC Foundation Scholarship Application Deadlines

- Dec 1 – Winter Term/Spring Semester
- Mar 1 – Spring Term
- May 1 – Summer Term
- Aug 1 – Fall Term/Semester

Applications available online at [www.ukpik.com](http://www.ukpik.com). Follow link to "Shareholder Services" then to "Other Services". Incomplete applications will not be considered. Please call 907-852-4460 with questions (UIC shareholders may call collect if they need to change their personal information) or email [UICFoundation@ukpik.com](mailto:UICFoundation@ukpik.com). To qualify for scholarship renewal, students must maintain a 2.0 GPA. Current grade report must accompany all renewal applications. In 2009, \$217,174 was distributed in scholarships.

### Ukpeaġvik Iñupiat Values

- |                    |             |                        |                         |
|--------------------|-------------|------------------------|-------------------------|
| RESPECT FOR ELDERS | COMPASSION  | HARD WORK              | FAMILY AND KINSHIP      |
| RESPECT FOR OTHERS | HUMILITY    | RESOLUTION OF CONFLICT | RESPONSIBILITY TO TRIBE |
| RESPECT FOR NATURE | SHARING     | SPIRITUALITY           | KNOWLEDGE OF LANGUAGE   |
| HUNTING TRADITIONS | COOPERATION | HUMOR                  |                         |

### Nasirvik Ukpeaġvik Iñupiat Corporation Shareholder Newsletter

P.O. Box 890, Barrow, AK 99723 P: 907.852.4460 | 3201 C Street, Suite 801, Anchorage, AK 99503 P: 907.677.5200

Comments or article suggestions can be emailed to: [nasirvik@ukpik.com](mailto:nasirvik@ukpik.com)