

New Barrow Hospital Construction Continuing Full Bore



Barrow Replacement Hospital exterior.

The joint venture between UIC Construction, LLC (UICC) and ASRC SKW Eskimos (SKW) remains dedicated to its \$82 million dollar Barrow Replacement Hospital project. This past winter brought about a significant amount of progress on the more than 100,000-square-foot structure.

UICC employees spent a lot of time and effort ensuring that concrete was laid down meticulously on the hospital's first and second floors. With the concrete work complete, framing, HVAC, electrical, mechanical, and fire protection remain top priorities inside the building. The workers' progress and effort is

visibly evident every day. The mechanical and electrical laborers have been busy on the middle levels of the hospital. With this work nearly completed, they are currently making way to the first floor. Those working on framing, HVAC, and fire protection are making steady progress. It will not be long before these activities commence on the second floor. As of late, other subcontractors have been on site for fireproofing, glazing, and roofing, all of which will require more work later.

UICC and SKW project managers are ensuring that subcontractors will have required materials purchased in time to make the

summer barge from Seattle to Barrow. The majority of the cargo shipped on this year's barges will be used for the remainder of this project.

If construction continues at its current pace, we will soon be looking at a fully constructed, state-of-the-art regional hospital in the North Slope Borough. The task at hand remains a challenging one, but the UICC and SKW team is more than capable and committed to this challenge.



Architect's rendering of hospital interior.

INSIDE

President's Message	2
UIC Scholarship Program	2
Featured Elder	4
Employee Benefits News	6
Shareholder Highlight	6
Employee of the Quarter	7
ANMC Airport Shuttle	8

C-Port Marine Services Awarded 2011 NOAA Tsunami Buoy Contract

On April 8, C-Port Marine Services finalized a contract with the National Oceanic and Atmospheric Administration's (NOAA) National Data Buoy Center to provide vessel services in support of tsunami buoy maintenance throughout the Pacific Ocean. This contract is the fifth tsunami buoy maintenance contract C-Port has been awarded since 2005.

The tsunami buoy network began with six buoys in 2003. The network currently operates a

total of 48 buoys in the Atlantic, Pacific and Indian Oceans, with nine of the buoys jointly operated by foreign governments in conjunction with NOAA. C-Port has been an integral part of maintaining this network since its inception, and helped establish a number of the tsunami buoy monitoring stations in the Pacific Ocean. Utilizing the M/V *Bluefin* owned by F/V North Wind Inc. (Seattle, WA), C-Port has provided more than 300 ship days of service for 65 tsunami and weather

continued on page 4

Board of Directors

Chairman



Raynita B. Taqulik Hepa

Vice Chairman



Doreen M. Piquik Knodel

President



Anthony E. Saki
Edwardsen

Vice President



Herman L. Qallu Ahsok

Treasurer



Forrest "Deano" Apayauq
Olemaun

Secretary



Richard Aqiviana
Ungarook, Sr.

Director



Fred Simmik Kanayurak

Director



Tara MacLean Katuk
Sweeney

Director



Grant B. Paniataaq
Thompson, Jr.

President's Message

Dear fellow UIC shareholders,

We again welcome the spring and enjoy celebrations of the season, including the recent Piuraagiaqta festival here in Barrow. UIC's staff is busy preparing for UIC's 2011 annual meeting of shareholders, which will be held Saturday, June 4 at the Barrow High School auditorium, beginning at 1:00 pm.

As we look forward to this year's annual meeting, I would like to remind shareholders of the importance UIC places on addressing their concerns. Responses to last year's shareholder comments will be included in a mailing to all shareholders. Questions and concerns were reviewed, and responses were prepared with consideration given to the sensitivity of the respective topics. The Board referred questions and concerns regarding individual employees of the UIC family of companies to the appropriate supervisor or manager, in accordance with UIC's Personnel Policy and Procedures Manual. With regard

continued on following page

UIC Scholarship Program Update

UIC is pleased to announce the UIC Foundation's current Board of Directors:

President - Tim Schuerch, UIC

In-House Counsel and Vice President - Support Services;

Vice President/Treasurer - Justin Thomas, UIC Tax Director;

Secretary - Tom Martelle, Ukpeaġvik Holdings Project Manager;

Director - Steve Chronic, UMIAQ Design Division Manager; and

Director - Kristine Hilderbrand, UIC Real Estate Special Projects Manager.

The Foundation's purpose is to provide scholarship funding to qualified UIC shareholders and descendants who are attending college or vocational school either full-time or part-time. The

Foundation provides assistance with the costs of tuition, fees, and books for each term. Every applicant is strongly encouraged to apply for other financial aid for which they may be eligible. Please note two new requirements: new scholarship applicants must now enclose a resume and renewal applicants must update their personal statements. Incomplete applications will not be considered. Please call (907) 852-4460 or email uicfoundation@ukpik.com with questions. To qualify for scholarship renewals, students must maintain a 2.0 grade point average. A current grade report must accompany all renewal applications. Full-time student scholarship awards are \$650 and part-time student

scholarships are \$275. In 2010, \$121,526 in scholarship funds was distributed*.

To download a scholarship application, please visit www.ukpik.com, click on "Shareholder Information", and then "UIC Foundation".

Scholarship Application Deadlines:

- **Spring Term:** Mar. 1
- **Summer Term:** May 1
- **Fall Term/Semester:** Aug 1
- **Winter Term/Spring Semester:** Dec. 1

**Editor's Note: In last quarter's newsletter, it was mistakenly reported that \$75,000 in scholarships were awarded in 2010, when, in fact, the above figure of \$121,526 is correct.*

to legally sensitive topics, UIC's legal counsel has advised the Board not to address those matters outside of the legal process or court proceedings. As the court proceedings and filings are open to the public, shareholders with related questions are referred to the court filings.

This year, we will again have several ways for shareholders to voice their concerns. First and foremost, shareholders are invited to attend the annual meeting and share them in person before the Board and executive staff members. For those who are not able to attend the meeting, postage-paid shareholder comments cards will be included in the annual meeting packets. Comment cards must be postmarked by May 23 with contact information included for verification of shareholder status. Alternatively, comments can be emailed to shareholdercomments@ukpik.com and must include the shareholder's full name, telephone number, mailing address, and nature of the comment or concern. All comments received, including those heard at the annual meeting, will be addressed

in a future mailing to all shareholders.

UIC recently made several changes to its staff structure. We have several new Vice President positions. William (Bill) Humphries, new to UIC, is our vice president of operations – projects. Bill has more than 30 years of professional experience in all facets of business management. Before joining UIC, Mr. Humphries was chief operations officer for Sitnasuak Native Corporation, and prior to that, chief operations officer for Akmaaqq, LLC, a subsidiary of NANA Development Corporation. Gerrie L'Heureux, who is the president of our East Coast holding company UIC Technical Services, is also now UIC's vice president of operations – services. Gerrie has been with our corporation for over 11 years. Tim Schuerch, UIC's in-house counsel, is now also our interim vice president of support services; Sandra Stuermer is our vice president of Barrow operations; Shelley Kaleak is our vice president of shareholder relations, and Delbert Rexford is our vice president of lands.

Subsidiary accounting

departments now report to their holding company general managers, and financial reporting goes directly to Walt George, UIC's interim chief financial officer.

I appreciate your patience as we work to find the best structure to meet the needs our growing company.

In closing, I would like to wish the best of luck to all the spring whaling crews during their hunts. We will be praying for crews to return successfully and safely.

Tavra. Quyanaq.



A handwritten signature in black ink that reads "Anthony E. Edwardson".

Anthony E. Edwardson
UIC President and CEO

Piuraagiaqta 2011: Barrow Spring Festival

Barrow residents enjoyed Piuraagiaqta over the weekend of April 9-11. There were many events, including a harpoon throwing contest, avatagpak race, umiaq race, and float race. UIC had a float in the parade, and several UIC staff members including Jamie Suvlu, Marilyn Booth, Dawndee Ipalook, Clara Oktollik, Will Saganna and Matilda Adams participated, showering the crowd with candy.



Photos taken by Araina Brower

Featured Elder: Rebecca Naataq Irriguq Adams



Rebecca Adams with Scott Howard Kanayurak-Leavitt.

Rebecca Naataq Irriguq Adams, revered for her warm heart and service to her community, is the featured elder in this year's annual report. The theme of the report is "From the Same Thread". The UIC staff is thankful to Rebecca and her family for participating.

Rebecca was born on August 14, 1923 in Barrow. Her parents were Johnny and Lucy Aiken. She is one of 10 children, and her siblings are Lewis Qusivguna, Wesley, Jonathan, Robert, James, Lewis, Mary Lou, and Loretta (adopted by Bertha and James Leavitt).

Rebecca lived in sod houses in Nuvuk and Shugluk growing up. Her favorite things to do as a child were to fish and go camping, and

some of her fondest memories are going dogsledding to gather wood and beaching a motorboat on the shore! Rebecca's favorite family traditions are whaling, serving the community, hunting and fishing, and enjoying family meals on holidays.

Rebecca met her husband Baxter Silatqutaq Adams when he came to Barrow after reindeer herding. They were married on September 12, 1944. Together Baxter and Rebecca had 12 children, Johnny, Jacob, Sheldon, Baxter Jr., Marie Pauline, Lucy Mae, George, Alberta, Diana, Becky, Nora Jane, and Billy. They have 32 grandchildren, 48 great-grandchildren, and five great, great-grandchildren. Rebecca has shown her children and grandchildren the arts of skin-sewing, cooking, and baking, and the values of spiritual faith and caring for others. Rebecca's greatest inspiration is Jesus, saying "His love endureth forever."

Rebecca worked as a cook at the hospital, schools, Al's Café, and the Co-op. She learned that her own natural talents could be used to make a living. "If you are going to do something, do it right; sewing, cooking, cleaning, especially your job."

Rebecca is also a steadfast servant of others. "Serve the community to the best of your ability. I know how to cook and feed people and have helped

many people in need."

The only life that Rebecca has known is one of living off the land. "All the household chores are so much easier to do today." She enjoys changing the temperature by simply turning up the thermostat. It is difficult, however, for her to see people she knows succumb to substance abuse.

Rebecca's advice for youth to help preserve their culture is "Treat people and wildlife with respect. Take good care of subsistence foods and skins and share with the community." She encourages young people to always have faith and hope and parents to never lose faith in their kids.

When Rebecca was asked what it means to be Iñupiaq, she said "It is a real privilege to have been born on the North Slope."



Rebecca Naataq Irriguq Adams with her husband, Baxter Silatqutaq Adams.

Tsunami Buoys continued from front page



C-Port mariners recover a tsunami buoy in the North Pacific.

buoys. C-Port anticipates the 2011 voyage to yield more than 100 ship days and will be providing service to 20 tsunami and two weather buoy stations.

Recent events in Japan have demonstrated the vital importance of the Tsunami Warning System for protecting the lives of people living in vulnerable coastal areas. While the network was

virtually nonexistent and unable to forecast the Indonesia tsunami in 2004, the completed network immediately responded to the 2011 Japan earthquake on March 11 and provided critical data to responders in Hawaii, Alaska, British Columbia and the West Coast. C-Port's general manager, Mick Maddock, noted "Without these monitoring stations, communities would be unable to brace for the powerful tsunamis when they occur. C-Port is proud of its role in bringing the Warning System online, and our thoughts and prayers continue to be with families still suffering in Japan."

UMIAQ Gears Up for 2011 Subsistence Advisor Program

In 2010, UMIAQ was awarded a contract by Shell to manage its Subsistence Advisor (SA) Program, which provides those who participate in subsistence activities in North Slope communities with a means to communicate concerns to Shell leader during the open season.

Six advisors from the villages of Kaktovik, Nuiqsut, Barrow, Point Lay, Wainwright and Point Hope were tasked with collecting subsistence hunting and fishing data, documenting animal sightings and attending meetings relating to subsistence. Data collected each year by the SA Program builds upon preceding years, and will be incorporated into environmental documents as well as used for regulatory planning and permitting purposes.

Shell recognizes that most of the North Slope residents are experienced subsistence hunters, making them more than qualified to fulfill the responsibilities of a subsistence advisor. Subsistence advisors receive training and are able to benefit from economic

opportunities related to oil and gas exploration and development on the North Slope.

In 2011, UMIAQ will again manage the SA program for Shell, and looks to expand to more of Alaska's coastal villages. Through the SA Program, Shell hopes to establish a means to avoid, minimize and mitigate negative impacts to subsistence activities village residents participate in, with particular focus on marine mammals taken on open water.

Shell and UMIAQ were pleased with the amount of data collected during the 2010 Open Water Season, and will continue to collaborate with the subsistence hunters and the advisors representing them. SA Program project manager Arlene Thomas said, "I was very happy with the dedication shown by the advisors, and as we gear up to begin this year's program we'll again look to them to ensure another successful season."



Barrow Subsistence Advisor Bobby Sarren with the qaaktaq (Broad White Fish) he pulled from his net set in Ikroavik Lake.

This year, Shell's Alaska Venture Onshore Ecological Project Team, including Doris Hugo and Erling Westlien of Shell, won Shell's Excellence in Social Performance award for work including the SA Program. The team demonstrated Shell's commitment to respecting its neighbors and the communities in which they operate through stakeholder engagement ensuring activities do not impact animal populations or subsistence lifestyles. UMIAQ is proud to have supported this effort.

Bowhead Transport Prepares for 2011 Sailing Season



BTC crew members transfer project cargo from a landing craft to a southbound barge in 2010.

The Bowhead Transport Company (BTC) team is working tirelessly in preparation for kickoff of the 2011 shipping season in May. This season will be busy for BTC, which has shipping contracts for the following large projects: The Barrow Replacement Hospital, North Slope Borough Gas Field Expansion, Point Lay Power Plant Upgrade, Barrow Tuzzy Library Expansion, and several Barrow

water and sewer projects.

Under the leadership of general manager James Dwight, the company continues to develop strong, collaborative relationships with partners and customers. The BTC sales team is focused on expanding into new markets to ensure future growth. The company began this strategy several years ago after securing contracts with Exxon,

Pioneer Natural Resources and Eni Petroleum, and provided cargo support services using specialized shallow draft vessels. BTC is committed to cultivating relationships with these and other companies by providing them with a versatile and reliable range of marine transportation services. BTC is also working closely with existing customers to understand

their evolving needs in order to develop the infrastructure needed to successfully respond to them.

2010 also brought with it the retirement of two dedicated BTC employees. Karen Wittenberg, administrative and billing coordinator, and Steve Seng, traffic and logistics manager, were both with BTC for more than 25 years. Their knowledge, dedication, and rapport with customers have helped make Bowhead what it is today.

For over 29 years, BTC's goal has been to provide the best service possible for shareholders and customers. With that goal in mind, the BTC team strives for excellence through careful planning and execution of tasks. As Bowhead steams ahead, the company will continue to make this level of performance not just its mission, but its mandate.

UIC Employee Benefits News

2011 Open Enrollment

Continuous improvement was the name of the game for Sandy Beitel, UIC director of human resources, and Janelle Rogers, UIC director of risk management, in planning for the open enrollment period for the new benefit plan year, from March 14 to March 25.

In planning for open enrollment, the pair implemented a strategy that focused on early and frequent communications to employees about what was changing or remaining the same, and what employees should expect with regard to the new plan year. This proactive approach was intended to improve employees' experiences while ensuring their

benefits selections were made on time.

In early May, new benefits selections became effective and employees received new insurance ID cards by mail. Benefits service providers remained the same as last year: Premera (medical, vision and prescription), ODS Delta Dental, UNUM (life insurance and AD&D), and Benefit Coordinators Corporation (BCC) (flexible spending program). More importantly, UIC's claims experience from the previous plan year resulted in *no premium increases* to the corporation or employees.

Corporate and key subsidiary staff members will conduct a review to determine what went

well during open enrollment this year and what can be improved upon for next year.

New Benefits Management Service

UIC is now working with a new service provider for health & welfare benefits administration and management. BCC will be a one-stop resource for all UIC employee benefits, with the exception of the 401(k) program administered by Wells Fargo.

In early May, employees will be able to access to their benefits selections and download forms online anytime through BenXcel, BCC's online service. Employees will receive more information about the transition to BenXcel in coming months.

Shareholder Employee Highlight: Amy Rock



Amy assisting an employee with an IT request.

Amy Rock (Ahtuanguaruak), born and raised in Barrow, joined UIC in the summer of 2010 as the Anchorage office receptionist. Amy is a UIC Foundation Scholarship recipient and is pursuing a degree in computer science and networking technology at Charter College. She was recently promoted to help desk technician in the information technology (IT) department. She began working in IT to fill in for an employee who was on vacation, and soon after was asked to join the IT Department full-time.

"Amy has an outstanding attitude and positive outlook on her new position. She enjoys helping

people, and she's eager to learn new things," said Sandy Halliwill, UIC IT director. "There are lots of business needs for additional IT support. The addition of Amy to the team is a big

step forward in filling the gap on resources. Her optimism and energy motivates her coworkers." Amy originally planned to study marketing and web design, but after talking to an academic advisor, she took an interest in IT. "I think it's a good career field, because the world runs on technology," said Amy.

Amy's job requires a knack for multitasking. "You have to wear many hats," she said. She enjoys problem-solving, whether helping people by phone, at their workstation, or by "remoting in"—that is, viewing their desktop remotely from her own desk.

"Amy has unlimited opportunity in

the IT department, with continued education and mentoring from her peers. UIC's Shareholder Development Program is excellent and mentors shareholders in their chosen fields," noted Rita Wetherald, UIC's Administrative Manager in Anchorage.

Amy's parents are Wesley and Jeanette Ahtuanguaruak. She learned traditional dance in elementary school, and performed with her youth group when she was in high school. She said, "I'm thankful for my husband Joey. There are times when I'm stressed out and exhausted, but he is always there to tell me 'You can do it' and 'I'm proud of you.'" Amy and Joey have been together for over six years and have two children, Jada, 4, and Joey, 2. She hopes to take them to Kivgiq one year while they are still young.

"I began to encourage my family and friends to go to college, because education is the key to success, which is something I feel very strongly about," said Amy. "For students interested in the IT field, if you can handle multitasking and problem-solving, you'll enjoy working in IT."

Ukpeaġvik Holdings Pursues New Venture

Until recently, UIC had two businesses in Barrow pursuing similar scientific work, UIC Science and UIC Professional Services. Because both companies provide essentially the same services, they were merged into one operating entity under UMIAQ, led by general manager Richard Reich, P.E. This merger will eliminate unnecessary competition for contracts as well as duplication of administrative functions and positions.

"While Ukpeaġvik Holdings lost an operating entity through this merger, we are working on a new venture that will keep us busy, and put us on firmer and more

profitable financial ground," said Sandra Stuermer, Vice President of Barrow Operations.

UIC Real Estate is now operating a lodging facility located at the Naval Arctic Research Laboratory (NARL). Known formerly as the NARL Hotel, the facility is an additional housing option for visitors, construction workers and scientists working in Barrow. In the past, these facilities, which are owned by UIC Real Estate, had been leased out to a private individual who ran the hotel. This arrangement expired on April 16, and a business case for UIC Real Estate to operate the facility itself was brought before Stuermer, who

supported the idea. "UIC Real Estate could generate additional revenue from this venture, thus contributing to a healthier bottom line," said Stuermer.

The hotel is now known as the Ukpik Nest. For those of you not familiar with the name, "Ukpik" is the Iñupiat word for snowy owl, so the name translates as the "Snowy Owl's Nest". Many reservations for the Ukpik Nest have already been made. Operating costs for this new venture include improved comfort, aesthetics and functionality in the lodging units. For reservations, please call 1-907-852-7800. All visitors are welcome.

Bowhead Manufacturing Company Implements Lean Practices

Under the direction of Tim Howell, general manager of Bowhead Manufacturing Company (BMC), BMC's entire facility staff at the Gatesville, Texas office attended Lean Manufacturing training.

Lean Manufacturing, often referred to simply as "Lean", is a production practice that considers the expenditure of resources for any goal other than the creation of value for the end customer to be wasteful, and thus a target for elimination. "Value" is defined as any action or process that a customer would be willing to pay for. Basically, Lean is centered on preserving value with less work.

The keys to the flow of Lean are to identify core value streams and think of them as a series

of connected flows. Lean was developed to maintain standardized processes, which are the basis for continuous improvement. Utilizing the kaizen tool daily (kaizen is a Japanese term for improvement) maximizes root-cause problem solving, which refines processes. The following four rules of Lean diminish recurring issues or bad habits:

1. Document all work processes and include content, sequence, timing and expected outcome.
2. All connections are clear yes/no signals directly linking every customer and supplier.
3. Every product, data or service travels a single simple and direct flow path.

4. Workers at the lowest feasible level, guided by a sensei (teacher), improve their own processes using scientific data driven methods, as opposed to those driven by opinion.

Dave Slavik, a recognized Lean sensei, was brought in for five weeks to lead BMC's deployment of Lean. Some of the practices at the Gatesville facility that needed work were: uneven process flow, duplicate work areas and multiple storage locations, which caused unbalanced production, and interrupted process flow areas. Making these changes has made the Gatesville facility a more efficient and cost effective factory and has shown the value of a properly planned Lean deployment.

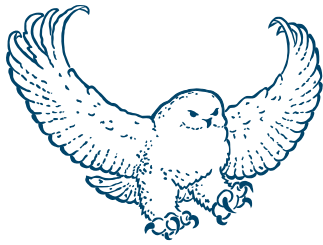
Employee of the Quarter: Chris Stein



Chris Stein and fellow surveyor Abe Stine.

UIC's Spring 2011 Employee of the Quarter is Christian D. (Chris) Stein. Chris is a survey crew chief for UMIAQ, and works from UMIAQ's Barrow office. Chris originally joined the UIC family in 1997 when he was hired by UIC Construction. From there, he joined LCMF, which later

merged with UMIAQ. "Chris wears many hats. He is a certified bear hazer, has received HAZWOPER training and certification as well as confined space certification, and is an expert in Arctic Surveying," said Ken Pinard, UMIAQ's surveying manager. Congratulations, Chris!



**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

ANMC Now Providing Free Airport Shuttle Service

On Friday, March 25, the Alaska Native Medical Center (ANMC) completed an agreement with LifeMed Alaska to support a free shuttle service to and from the Ted Stevens International Airport. ANMC customers around Alaska will now have transportation to and from ANMC and the airport.

The shuttle's regular schedule runs from Sunday through Friday, from 4:30 a.m. to midnight. Regular hours on Saturday will be noon to 5 p.m. The shuttle leaves the medical center at the top of each hour, and leaves the airport outside the Alaska Airlines baggage claim on the half hour.

Outside the scheduled shuttle service, patients or visitors needing a ride can call from the airport's hotel reservation board by dialing "16". Medical center operators will answer.

For more information, call toll-free at (800) 478-6661 or (907) 563-ANMC (2662).

Ukpeaġvik Iñupiat Values

RESPECT FOR ELDERS
RESPECT FOR OTHERS
RESPECT FOR NATURE
HUNTING TRADITIONS

COMPASSION
HUMILITY
SHARING
COOPERATION

HARD WORK
RESOLUTION OF CONFLICT
SPIRITUALITY
HUMOR

FAMILY AND KINSHIP
RESPONSIBILITY TO TRIBE
KNOWLEDGE OF LANGUAGE

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