

Interior Neighborhood Health Corporation
Primary Care Facility Project
Project Number 0055-DC-2002-18
Report Number 3
October 1 – December 31, 2002

A. Quarterly Report (Narrative and Financial Summary)

1. Summary of project status and accomplishments to date.

Interior Community Health Center's new primary care clinic site was fenced off and the work halted temporarily for the year due to the weather. The following activities occurred during this time period:

A sign announcing Denali Commission funding was installed on the 23rd Avenue side of the site in September 2002

Performance and payment bonds were received on September 29, 2002 (see attachment 1)

Certification regarding debarment, suspension, proposed debarment, and other responsibility matters was received on September 29, 2002 (see attachment 2)

Certification regarding lobbying was received on September 29, 2002 (see attachment 3)

Certificate of liability insurance was received on September 29, 2002 (see attachment 4)

Submittals review will be ongoing during the winter

A proposal for funding was submitted to the Blum-Kovler Foundation on October 11, 2002

A Construction Project Report was submitted to the U.S. Census Bureau on October 29, 2002

A meeting with the Editorial Board of the Fairbanks Daily News-Miner was held on November 7, 2002

An editorial concerning the new primary care clinic project appeared in the Fairbanks Daily News-Miner on November 8, 2002 (see attachment 5)

A site visit from the Rasmuson Foundation occurred on November 12, 2002

Other fund-raising activities including presentations to community groups and letters to local businesses and medical staff were initiated on November 12, 2002

Meetings with members of the Interior delegation were initiated on November 22, 2002

An application for three-phase power was submitted to Golden Valley Electrical Association on December 6, 2002

Notification of a \$1,000,000 top-off grant by the Rasmuson Foundation was received on December 10, 2002

An application for the extension of the natural gas line was submitted to Fairbanks Natural Gas on December 12, 2002

A Letter of Inquiry was submitted to the M J Murdock Charitable Trust on December 13, 2002

A Resolution of Support for the center's capital campaign was passed by the Greater Fairbanks Chamber of Commerce on December 17, 2002

A media campaign in the Fairbanks Daily News-Miner was initiated on December 21, 2002. A copy of the first ad, *Not Another Fruit Cake*, is attached (#6).

A proposal for funding was submitted to the Robert Hemingway Foundation on December 26, 2002

a. Is project on schedule?

The project is on schedule. The current substantial completion date of February 15, 2004 is unchanged.

b. Is project on budget?

The project is presently on budget; however, the final agreement on quantities of over excavation and backfill at foundation (Unit Price basis \$27/CY) are still pending, as well as the RFP that was issued to the GC for modification to the building's steel and rebar. The final review indicated some calculation errors and design sheets were reissued to make the modifications that were required.

c. What actions are planned to address any project problems.

The problem with the soils and the calculation errors for the building steel and rebar have been addressed. There have been no other identified problems with the project at this time. The center continues with its four-part strategy for its fund-raising campaign to minimize its potential debt.

2. Project Financial Status Report

a. The total project budget – see attachment 7

- b. The project schedule with milestone dates for design and construction – see attachment 8
- c. The total amount of Denali Commission funds committed to the project – see attachment 7
- d. The total project expenditures as of the end of the most recent quarter – see attachment 7
- e. The total expenditure of Denali Commission funds for the project as of the end of the most recent quarter – see attachment 7
- f. The percentage of expenditures to the total budget – see attachment 7
- g. A project performance analysis on project line items, as defined by the ICHC, showing budget costs compared to actual expenditures and obligation to date versus work performed to date (for each line item) – see attachment 7

B. Final Financial Status Report (Standard Form 269)

Not applicable as due on June 30, 2003

C. Labor Type, Residence and Wage Report

Sent under separate cover on December 9, 2002.

D. Photographic Documentation of Progress

Please see attachment 9.

E. Percentage of Total Funds from the Commission and Other Sources Received/used for Planning, Design and Construction of Infrastructure Facilities, and/or Economic Development Projects.

Bond No. 6150991

PERFORMANCE BOND

Conforms with The American Institute of Architects
A.I.A. document No. A-311

KNOW ALL BY THESE PRESENTS: that McKinley General Contractors, Inc.
(Here insert full name and address or legal title of Contractor)

PO Box 70121, Fairbanks, AK 99707

as Principal, hereinafter called Contractor, and, SAFECO INSURANCE COMPANY OF AMERICA
(Here insert full name and address or legal title of Surety)

SAFECO PLAZA, Seattle, WA 98185

as Surety, hereinafter called Surety, are held and firmly bound unto Interior Neighborhood Health Corporation
(Here insert full name and address or legal title of Owner)

1949 Gillam Way, Suite D, Fairbanks, AK 99701

as Obligee, hereinafter called Owner, in the amount of Four Million Four Hundred Thirty Four Thousand and 00/100 - - - - -
----- Dollars (\$ 4,434,000.00).

for the payment whereof Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS,

Contractor has by written agreement dated _____, _____, entered into a contract

with Owner for Primary Care Facility
(Here insert full name, address and description of project)

in accordance with Drawings and Specifications prepared by _____
(Here insert full name and address or legal title of Architect)

which contract is by reference made a part hereof, and is hereinafter referred to as the

PERFORMANCE BOND 6150991

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if Contractor shall promptly and faithfully perform said Contract, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

The Surety hereby waives notice of any alteration or extension of time made by the Owner.

Whenever Contractor shall be, and declared by Owner to be in default under the Contract, the Owner having performed Owner's obligations thereunder, the Surety may promptly remedy the default, or shall promptly

1) Complete the Contract in accordance with its terms and conditions, or

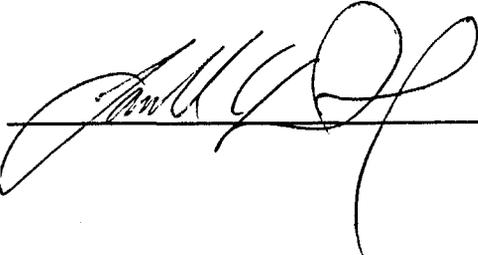
2) Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by Surety of the lowest responsible bidder, or, if the Owner elects, upon determination by the Owner and the Surety jointly of the lowest responsible bidder, arrange for a contract between such bidder and Owner, and make available as Work progresses (even though there should be a default or a succession of defaults under the

contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price; but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the contract price," as used in this paragraph, shall mean the total amount payable by Owner to Contractor under the Contract and any amendments thereto, less the amount properly paid by Owner to Contractor.

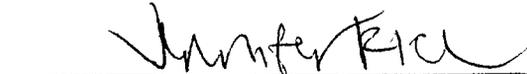
Any suit under this bond must be instituted before the expiration of two (2) years from the date on which final payment under the Contract falls due.

No right of action shall accrue on this bond to or for the use of any person or corporation other than the Owner named herein or the heirs, executors, administrators or successors of the Owner.

Signed and sealed this 17th day of September, 2002



(Witness)



(Witness)

McKinley General Contractors, Inc. (Seal)

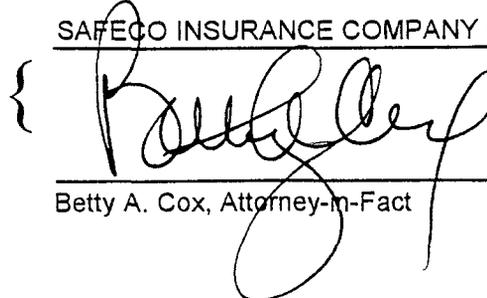
(Principal)



Terri Rohloff
Assistant Secretary
(Title)

SAFECO INSURANCE COMPANY OF AMERICA (Seal)

(Surety)



Betty A. Cox, Attorney-in-Fact
(Title)

Payment Bond

Conforms with the American Institute of Architects, AIA Document A312.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

CONTRACTOR (Name and Address):
McKinley General Contractors, Inc.
PO Box 70121
Fairbanks, AK 99707

SURETY (Name and Principal Place of Business):
SAFECO INSURANCE COMPANY OF AMERICA
SAFECO PLAZA
Seattle, WA 98185

OWNER (Name and Address):
Interior Neighborhood Health Corporation
1949 Gillam Way, Suite D
Fairbanks, AK 99707

CONSTRUCTION CONTRACT

Date:
Amount: \$4,434,000.00

Description (Name and Location): Primary Care Facility

BOND

Date(Not earlier than Construction Contract Date): September 17 2002
Amount: \$4,434,000.00

Modifications to this Bond:

None

See Page 2

CONTRACTOR AS PRINCIPAL
Company: McKinley General Contractors, Inc. (Corporate Seal)

SURETY
Company: SAFECO INSURANCE COMPANY OF AMERICA (Corporate Seal)

Signature: *Terria Lophof*
Name and Title: Assistant Secretary
(Any additional signatures appear on page 2.)
(FOR INFORMATION ONLY - Name, Address and Telephone) AGENT or BROKER: Brady & Company, PO Box 107502, Anchorage, AK 99510

Signature: *Betty A. Cox*
Name and Title: Betty A. Cox, Attorney-in-Fact
OWNER'S REPRESENTATIVE (Architect, Engineer or other party):

- 1 The Contractor and the Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference.
- 2 With respect to the Owner, this obligation shall be null and void if the Contractor:
 - 2.1 Promptly makes payment, directly or indirectly, for all sums due Claimants, and
 - 2.2 Defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity whose claim, demand, lien or suit is for the payment for labor, materials or equipment furnished for use in the performance of the Construction Contract, provided the Owner has promptly notified the Contractor and the Surety (at the address described in Paragraph 12) of any claims, demands, liens or suits and tendered defense of such claims, demands, liens or suits to the Contractor and the Surety, and provided there is no Owner Default.

- 3 With respect to Claimants, this obligation shall be null and void if the Contractor promptly makes payment, directly or indirectly, for all sums due.
- 4 The Surety shall have no obligation to Claimants under this Bond until:
 - 4.1 Claimants who are employed by or have a direct contract with the Contractor have given notice to the Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to the Owner, stating that a claim is being made under this Bond and, with substantial accuracy, the amount of the
 - 4.2 Claimants who do not have a direct contract with the Contractor:
 - .1 Have furnished written notice to the Contractor and sent a copy, or notice thereof, to the Owner, within 90 days after having last performed labor or last furnished materials or equipment included in the claim stating, with substantial accuracy, the amount of the claim and the name of the party to whom the materials were furnished or supplied or for whom the labor was done or performed; and

- 2** Have either received a rejection in whole or in part from the Contractor, or not received within 30 days of furnishing the above notice any communication from the Contractor by which the Contractor has indicated the claim will be paid directly or indirectly; and
- 3** Not having been paid within the above 30 days, have sent a written notice to the Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to the Owner stating that a claim is being made under this Bond and enclosing a copy of the previous written notice furnished to the Contractor.
- 5** If a notice required by paragraph 4 is given by Owner to the Contractor or to the Surety, that is sufficient compliance.
- 6** When the Claimant has satisfied the conditions of Paragraph 4, the Surety shall promptly and at the Surety's expense take the following actions:
 - 6.1** Send an answer to the Claimant, with a copy to the Owner, within 45 days after receipt of the claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed.
 - 6.2** Pay or arrange for payment of any undisputed amounts.
- 7** The Surety's total obligation shall not exceed the amount of this Bond, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.
- 8** Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any Construction Performance Bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and the Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the
- 9** The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for payment of any costs or expenses of any Claimant under this Bond, and shall have under this bond no obligations to make payments to, give notices on behalf of, or otherwise have obligations to Claimants under this Bond.
- 10** The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.
- 11** No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the location in which

the work or part of the work is located or after the expiration of one year from the date (1) on which the Claimant gave the notice required by Subparagraph 4. 1 or Clause 4.2.3, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

12 Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the signature page. Actual receipt of notice by Surety, the Owner or the Contractor, however accomplished, shall be sufficient compliance as of the date received at the address shown on the signature page.

13 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

14 Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor shall promptly furnish a copy of this Bond or shall permit a copy to be made.

15 DEFINITIONS

15.1 Claimant: An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Contract. The intent of this Bond shall be to include without limitation in terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

15.2 Construction Contract: The agreement between the Owner and the Contractor identified on the signature page, including all Contract Documents and changes thereto.

15.3 Owner Default: Failure of the Owner, which has neither been remedied nor waived, to pay the Contractor as required by the Construction Contract or to perform and complete or comply with the other terms thereof.

MODIFICATIONS TO THIS BOND ARE AS FOLLOWS:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL
 Company: _____ (Corporate Seal)
 Signature: _____
 Name and Title: _____
 Address: _____

SURETY
 Company: _____ (Corporate Seal)
 Signature: _____
 Name and Title: _____
 Address: _____



POWER OF ATTORNEY

SAFECO INSURANCE COMPANY OF AMERICA
GENERAL INSURANCE COMPANY OF AMERICA
HOME OFFICE: SAFECO PLAZA
SEATTLE, WASHINGTON 98185

No. 5465

KNOW ALL BY THESE PRESENTS:

That SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA, each a Washington corporation, does each hereby appoint
*****CARL F. BRADY, JR.; BETTY A. COX; SUSAN SPINDLER; JAMES K. BRADY; JOHN WHEATLEY; KENT ECKHOFF; CHARLES G. ANDERSON; BRANDON B. ALLEN; LORI RUDE; Anchorage, Alaska*****

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and attested these presents

this 5th day of July, 2002

Handwritten signature of Christine Mead

CHRISTINE MEAD, SECRETARY

Handwritten signature of Mike McGavick

MIKE MCGAVICK, PRESIDENT

CERTIFICATE

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. - FIDELITY AND SURETY BONDS ... the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business...

Extract from a Resolution of the Board of Directors of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
(ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
(iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Christine Mead, Secretary of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 17th day of September, 2002



Handwritten signature of Christine Mead

CHRISTINE MEAD, SECRETARY

FAR 52.209-5 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS

(a)(1) The Offeror certifies, to the best of its knowledge and belief, that--

(i) The Offeror and/or any of its Principals--

(A) Are ___ are not X presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(B) Have ___ have not X, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and

(C) Are ___ are not X presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in subdivision (a)(1)(i)(B) of this provision.

(ii) The Offeror has ___ has not X, within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

(2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

This Certification Concerns a Matter Within the Jurisdiction of an Agency of the United States and the Making of a False, Fictitious, or Fraudulent Certification May Render the Maker Subject to Prosecution Under Section 1001, Title 18, United States Code.

(b) The Offeror shall provide immediate written notice to the Buyer if, at any time prior to contract award, the Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the Offeror's responsibility. Failure of the Offeror to furnish a certification or provide such additional information as requested by the Buyer may render the Offeror non-responsible.

(d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Buyer may terminate the contract resulting from this solicitation for default.

(End of provision)

Name: MCKINLEY GENERAL CONTRACTORS, INC. Title: GENERAL MANAGER

Signature: LOWELL DAVIS Date: 9/26/02

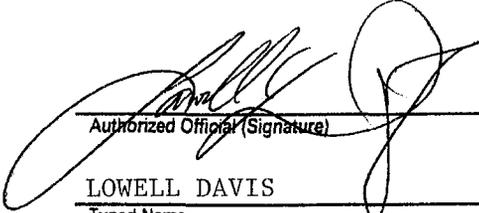
CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies to the best of his or her knowledge and belief, that;

1. No Federal funds have been paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, " Disclosure Form to Report Lobbying" in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contract under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U S Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$ 10,000 and not more than \$ 100,000 for each such failure.

Certified by:



Authorized Official (Signature)
LOWELL DAVIS

Typed Name
MCKINLEY GENERAL CONTRACTORS, INC.

9/26/02

Date
GENERAL MANAGER

Title

ACORD CERTIFICATE OF LIABILITY INSURANCE

09/19/2002

PRODUCER (907)276-5617 FAX (907)276-6292
Brady & Company, Inc.
 P.O. Box 107502
 Anchorage, AK 99510-7502
 Attn: David Bohan

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

INSURED **Chugach Alaska Corporation and its Subsidiaries**
 560 E. 34th Avenue Suite 300
 Anchorage, AK 99503

INSURER A: **General Star Indemnity Co.***
 INSURER B: **Zurich American Insurance Co.**
 INSURER C: **Greenwich Insurance Company**
 INSURER D:
 INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY	IYG373276A	10/01/2001	10/01/2002	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				FIRE DAMAGE (Any one fire) \$ 50,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person) \$ excluded
	<input checked="" type="checkbox"/> \$100,000 SIR				PERSONAL & ADV INJURY \$ 1,000,000
	<input checked="" type="checkbox"/> Pollution				GENERAL AGGREGATE \$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC				PRODUCTS - COMP/OP AGG \$ 1,000,000
B	AUTOMOBILE LIABILITY	BAP8298183-01	10/01/2001	10/01/2002	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS				PROPERTY DAMAGE (Per accident) \$
	<input checked="" type="checkbox"/> NON-OWNED AUTOS				
<input checked="" type="checkbox"/> \$50,000 Liab Ded					
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN EA ACC \$
					AUTO ONLY: AGG \$
A	EXCESS LIABILITY	IXG373280A	10/01/2001	10/01/2002	EACH OCCURRENCE \$ 10,000,000
	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE \$
	<input type="checkbox"/> DEDUCTIBLE				10,000,000 \$ 10,000,000
	RETENTION \$				\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	WCB298182-01	10/01/2001	10/01/2002	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
					E.L. EACH ACCIDENT \$ 500,000
					E.L. DISEASE - EA EMPLOYEE \$ 500,000
					E.L. DISEASE - POLICY LIMIT \$ 500,000
C	OTHER Property, Unlicensed Vehicles, Leased, Hired Equipment	GIC2506	10/01/2001	10/01/2002	\$ 1,207,481 Unlicensed Veh \$1,000,000 Leased/Hired Equip \$10,000 Deductible per occ

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

Re: **Primary Care Facility. Additional Named Insured: McKinley General Contractors**
 Certificate Holder is named as Additional Insured and Loss Payee to the extent required by contract.
 Waiver of Subrogation in favor of Certificate Holder is added to all policies listed hereon to extent and limits required by written contract. Such endorsements include Owner, Architect, their employees and agents.

CERTIFICATE HOLDER	ADDITIONAL INSURED; INSURER LETTER:	CANCELLATION
Interior Neighborhood Health Corporation 1949 Gillam Way Suite D Fairbanks, AK 99701		SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE Kent Eckhoff/DBOHAN

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

OPINION

na Farrell, Opinion Page Editor: 459-7574; e-mail: letters@newsminer.com

Fairbanks Daily News-Miner, Friday, November 8, 2002

FAIRBANKS

Daily News - Miner

"Independent in All Things ... Neutral in None"

Established in 1903

CHARLES L. GRAY
Publisher Emeritus

MARLYN ROMANO
Publisher

KELLY BOSTIAN
Managing Editor

DERMOT COLE
Columnist

GINA FARRELL
Editorial Page Editor

A growing asset

About 20 percent of the borough's residents don't have health insurance or they have inadequate health insurance, which means that a medical problem can quickly become a family financial crisis.

For seven years, the Interior Neighborhood Health Clinic has been helping do something about that problem, providing services on a sliding scale to people in the Interior.

Last year 4,761 people received health care services at the clinic and about half of them did not have medical insurance. The patients include many low income people who are struggling to make ends meet, as well as people of moderate income.

Access to and the cost of health and dental care have been identified as two of the five most important challenges for the community by the United Way COMPASS Project. The need is of greatest concern for people who are unemployed and those who work part-time or in jobs for which benefits are not included.

The demand for services at the clinic has been such that the organization needs a better facility to provide services to its patients and expand its reach. The clinic opened in 1995 in an 8,000-square-foot area of the old Denali Center nursing home, its operations funded about equally by federal grants and patient fees.

It is raising money for an 19,500-square-foot building in South Fairbanks at 1606 23rd Ave. that will cost a total of about \$7 million. The clinic received a Denali Commission grant of \$3.7 million and raised about \$650,000 from other sources.

About \$2.5 million more is needed to complete the campaign. Construction would start next May and be completed in early 2004.

The clinic's fund-raising committee is seeking help from the state, local governments, foundations, corporations and from the people of this community.

This enterprise has proven to be a valuable community asset that makes all the difference for many people in the Fairbanks area whose only other alternative for health care is to go to the emergency room of Fairbanks Memorial Hospital. The clinic saves the community money by treating people who would otherwise have to go to the emergency room because they have no money, an expense that shows up in increased health care costs.

In addition to the dollars, there is another important issue about access. The more that the personnel in the emergency room have to deal with issues that should be handled in clinics, the less able they are to devote full attention to true emergencies.

The primary care services the clinic offers through its two physicians, two physicians' assistants and one nurse practitioner goes a long way toward serving those in the community who cannot afford health care.

As part of its fund-raising campaign, the clinic is asking individuals and businesses to pitch in with donations. We think this is a worthy cause that deserves your support. The clinic is hoping to raise about \$100,000 through local community donations.

Tax-deductible contributions can be sent to the Interior Neighborhood Health Clinic, 1949 Gillam Way, Suite D, Fairbanks, AK 99701. For more information call Cheryl Tigore, clinic executive director, at 455-4567.



Lessons from the 2002 election

President Bush, with a little help from his friend and political adviser Karl Rove, was the victor in Tuesday's "off-year" election, which was decidedly an on-year for the GOP. Instead of sitting on a popularity lead as his father did, this President Bush invested his political capital. The dividend was paid Tuesday night when Republicans defied historical precedent, gaining seats in and control of Congress.

What now? The president and his party have surely learned another lesson. Following the 1994 election, in which Republicans won control of the House for the first time in 40 years, party leaders mistakenly believed voters had given them a mandate to radically change the government. Democrats painted House Speaker Newt Gingrich and company as extremists and frustrated meaningful policy shifts.

Last spring, I asked a top Republican Party operative (who requested anonymity) what the GOP would do if it won control of the Senate and kept the House in the fall election. He said such a scenario would present special difficulties, because "people might expect too much." At first, I thought that was a curious comment, but he was right. The worst move for Republicans would be to start slam-dunking policies. President Bush and the new GOP congressional leadership must speak softly, explaining what they are doing and why.

Two issues should be addressed immediately. First are the judges who have been tied up in the Senate Judiciary Committee by outgoing chairman Patrick Leahy (D-Vt.). Many Democratic senators would have voted for the president's rejected judicial nominees. They should now be given



Cal Thomas

that opportunity, and their votes will give Republicans political cover against any Democratic charges of ideological domination (funny how you never hear that charge when Democrats try to ideologically dominate). The president is likely to re-submit—and he should—every stalled nominee to the federal bench.

The tax cut is also likely to be made permanent and possibly lead to new tax breaks for those who pay most of the taxes. When the cuts create more investment, more spending and new jobs, the rebounding economy will produce higher tax revenues and reduce the deficit, putting to rest the demagoguery of the Democrats about "tax cuts for the rich." Social Security reform must also be advanced, with younger workers given the option of where they want to invest their retirement funds.

A government united under Republicans can confidently address the erosion of social and moral values. While that erosion is largely a moral and spiritual problem, not a political one, government can speak to the cultural pollution at the edges, and the president can more effectively use the pulpit part of his "bully pulpit."

On the upcoming 30th anniversary of Roe v. Wade in January, the president can push for legislation that would fully inform women about the abortion procedure more than 40 million

have chosen since 1973. Citing truth in labeling and truth in lending laws, the president could say that women faced with problem pregnancies deserve as much information as possible before deciding whether to have an abortion or give birth. Medical technology is now available that did not exist 30 years ago. Early data have shown that women who see a sonogram of their own baby (of the type beautifully depicted in the current Time magazine) overwhelmingly choose life for their child. Rather than "restricting a woman's right to choose," a law requiring women to receive more information is positive and likely to gain political favor. Pro-choice voters would have difficulty opposing such a proposal unless they wish to be called censors.

On a similar topic, Congress should pass and the president has said he will sign a measure to outlaw the killing of a baby as it emerges from the womb—a procedure called partial birth abortion by its opponents.

Democrats are without leadership, without issues of their own (other than opposing Republicans) and now without power to stop a carefully crafted Bush agenda. "He stitched himself a pair of coattails," said Democratic operative Paul Begala of President Bush on CNN. If Republicans don't overreach as they did following the 1994 election, and if they patiently explain to the public what they are trying to do and why it will benefit the country, those GOP coattails could lead to a political dynasty that will finally lay to rest the Democratic Party of Franklin Roosevelt.

That's not bad for a president who was supposed to be dumb. Like a fox, he is.

Cal Thomas' column is distributed by the Tribune Media Services, Inc.

Bush get mandate

A couple of years behind schedule, George W. Bush has last credibly won the 2000 presidential election.

In a nervy move, Bush personalized and nationalized the year congressional election. The result is a history-bend Republican victory.

Bush came to the Oval Office half-a-million votes behind Gore and thanks to ballots Florida so screwy they had Jewish voters going for the anti-Semitic Pat Buchanan. The result seemed little better than the temporary pass to the White House.



Tom Teepen

No more. Our most politically hyped president, Bush raised record amounts of money for the GOP and spent record amounts of it politicking state by state.

Gambling with the popular that came his way after the 9/11 terrorist atrocities, Bush missed the congressional elections and eroded on his presidency. He date and cast the issues as national and international security. He successfully blamed the stagnant economy and its evaporating jobs on Osama bin Laden.

Democrats cooperated largely buying into Bush's cuts, which go overwhelmingly the well-off, and into his test school "reforms." For the rest, Democrats often seemed offer not so much alternatives Bush initiatives as just aim grousing.

Hesitant and incoherent opposition, the Democratic Party produced no program that would excite even its own voters as saw them slump into indifference.

The GOP played cannily to base, and its natural vote swamped the polls.

The way now lies open major environmental issues such as oil drilling in the Alaskan wilderness, and for boosting religion by underwriting religious charities, protecting the corporate bar by restricting judgments to successful plaintiffs, and despite the recent scandal in corporate governance, reding public-interest regulation business.

The president's time-limited tax cuts will no doubt



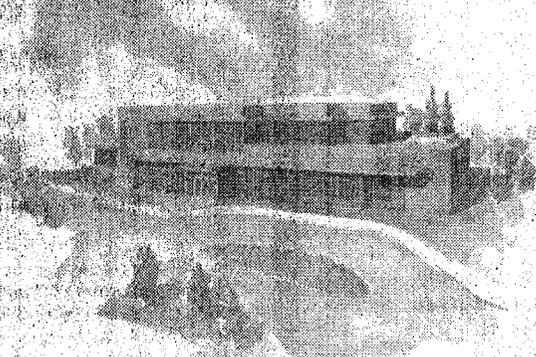
Not another fruit cake!

Tired of giving and receiving gifts that don't quite carry the spirit of the season?

This year, instead of a fruitcake, why not give a gift that keeps on giving. Make a donation to the Interior Community Health Center Capital campaign.

ICHHC is a non-profit health care facility providing primary health care to the uninsured and under-insured; a vital part of the health care network in our community.

The clinic has outgrown it's current space and is raising money for a new clinic. You can help by making a donation in your name or someone else's name to the Interior Community Health Center. We'll even provide a certificate suitable for framing.



INTERIOR
COMMUNITY
HEALTH
CENTER

Yes! I want to avoid another fruit cake. I want to make a donation!

Name _____

Mailing Address _____

State _____ Zip _____

E-Mail _____

Daytime Phone _____ Evening Phone _____

Name on Certificate _____

\$ _____ (\$250 or over will also be recognized with a plaque)
Amount of Donation

- My check is enclosed (payable to ICHC)
- Bill my VISA MasterCard

Card Number _____ Exp. Date _____

Signature _____

Please place in envelope and return to:
Interior Community Health Center
1949 Gillam Way, Suite D
Fairbanks, AK 99701

Or call Marylou at ICHC 455-8074 ext. 226

Interior Community Health Center is a 501 (c) (3) Corporation and private donations are tax deductible

Give something that lasts, give to Interior Community Health Center, making quality health care accessible to all.

Interior Neighborhood Health Corporation
 Primary Care Facility Project
 Project Number 0055-DC-2002-I8
 Project Financial Status Report Number 3
 As of 12/31/02

Interior Community Health Center
 Attachment 7

	Total Project Budget	Denali Commission Funds Budget	Total Project Expenditures	Denali Commission Project Exp.	Percentage of Total Project Expenditures to Total Project Budget	Amount Remaining (Overspent)
Final Design	250,000	125,000	144,077	116,970	58%	105,923
Clinic Construction	5,120,000	2,560,000	32,784	32,784	1%	5,087,216
Clinic Equipment	711,000	355,500	484	484	0%	710,516
Land	141,000	70,500	141,000	70,500	100%	-
Construction Financing	157,000	78,500	9,500	9,500	6%	147,500
Direct Project Management	307,000	153,500	54,950	44,333	18%	252,050
Total Expenses	6,686,000	3,343,000	382,795	274,571	6%	6,303,205

CERTIFICATION: I certify that the above information is true and correct, and that expenditures have been made for the purpose of, and in accordance with, applicable grant terms and conditions.

Name Cheryl Kilgore

Title Executive Director

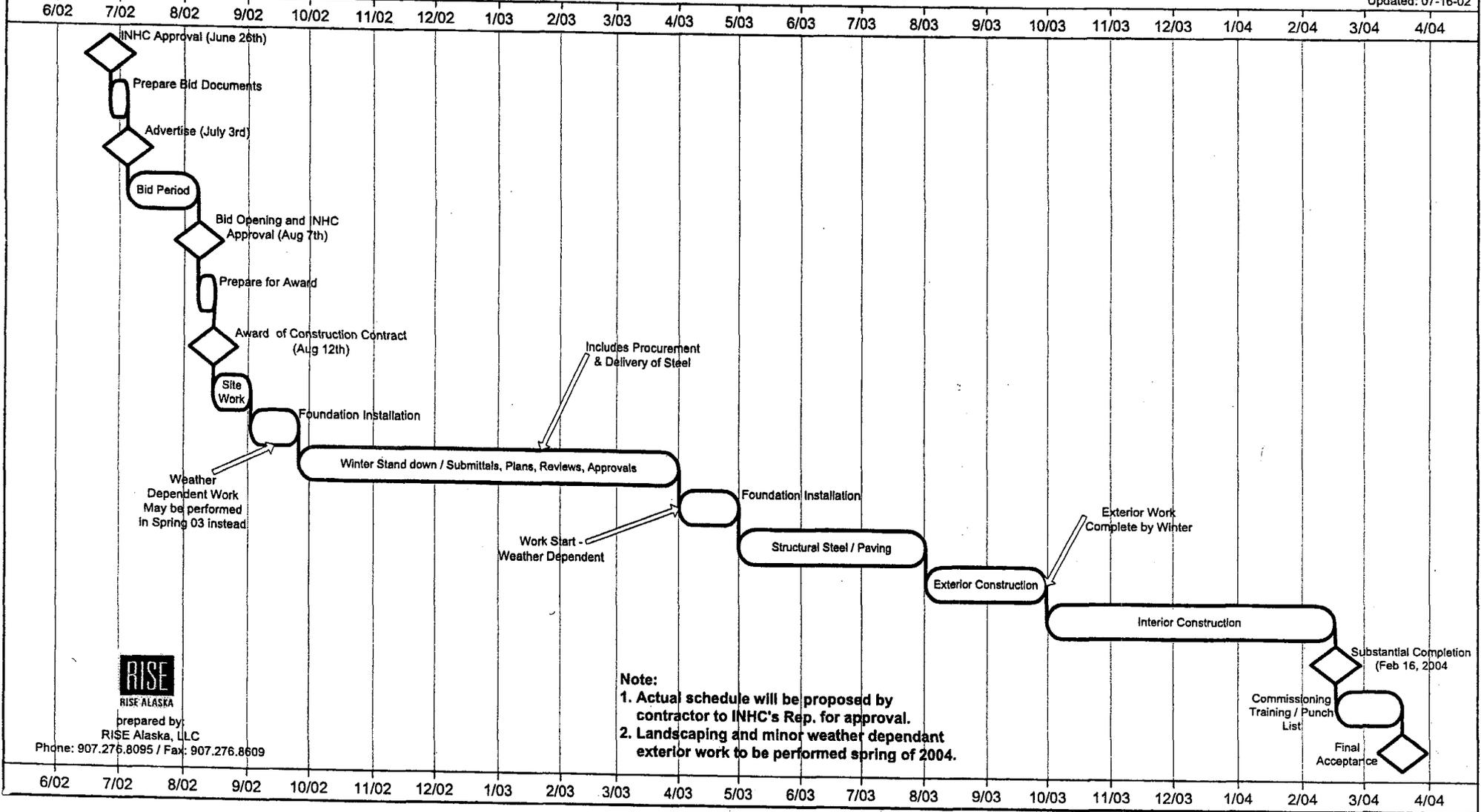
Signature 

Date 1/27/03



Interior Neighborhood Health Corporation's Primary Care Facility Estimated Construction Schedule

Updated: 07-16-02



RISE ALASKA

prepared by:
RISE Alaska, LLC

Phone: 907.276.8095 / Fax: 907.276.8609

Note:

1. Actual schedule will be proposed by contractor to INHC's Rep. for approval.
2. Landscaping and minor weather dependant exterior work to be performed spring of 2004.