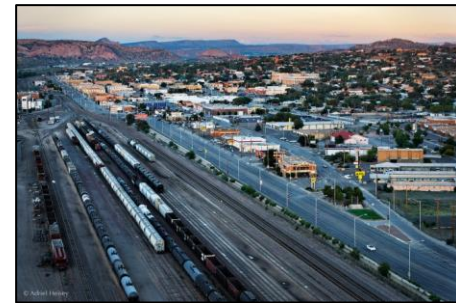


Greater Gallup Economic Development Corporation



Building a Southwestern U.S. Transportation, Logistics & Industrial Hub in Gallup & McKinley County, New Mexico

Greater Northwest New Mexico MEP Manufacturing Day
October 10, 2023 | Virtual Meeting



Mission

Drive economic growth through building on local assets and strategic partnering to target attraction, retention & expansion of industrial employers that provide economic-base jobs in the Gallup-McKinley County area, and to support & promote a business-friendly environment.



Investing in Infrastructure

- Transportation
 - Air Service
 - Rail
 - Roads
 - AV & Hydrogen
- Workforce
- Water
- 3 Industrial Parks
 - Utilities







Gallup Energy Logistics Park

Gallup, New Mexico

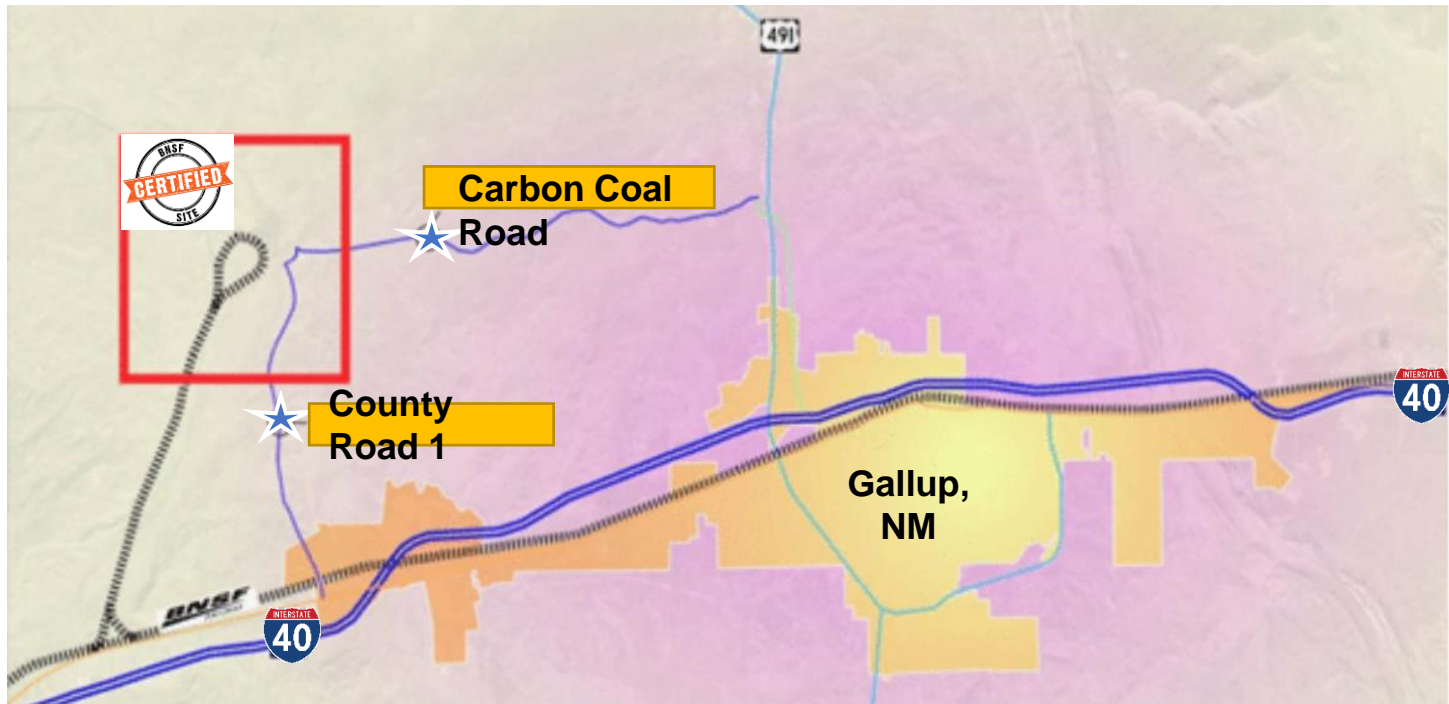
Why Focus on Transportation?

- 142-year relationship with BNSF Railway
 - Heritage Community Award (2015)
 - Premier Sites Program (2016)
- 120 trains a day thru Gallup
- 7,000 trucks every day on I-40
- Hospitality well established in Gallup
 - 6 hotels since 2010
 - Location quotient – 1.23
- Transportation/Warehouse sector is undeveloped
 - Location quotient – 0.75

Regional Transportation Corridors Northwest New Mexico



Gallup Energy Logistics Park Transportation Corridors



Go West or East from Gallup



GLP-LBC | 666 Miles | 9h 40min

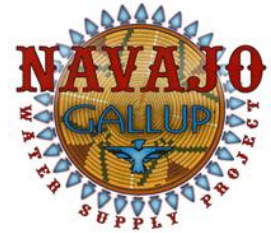
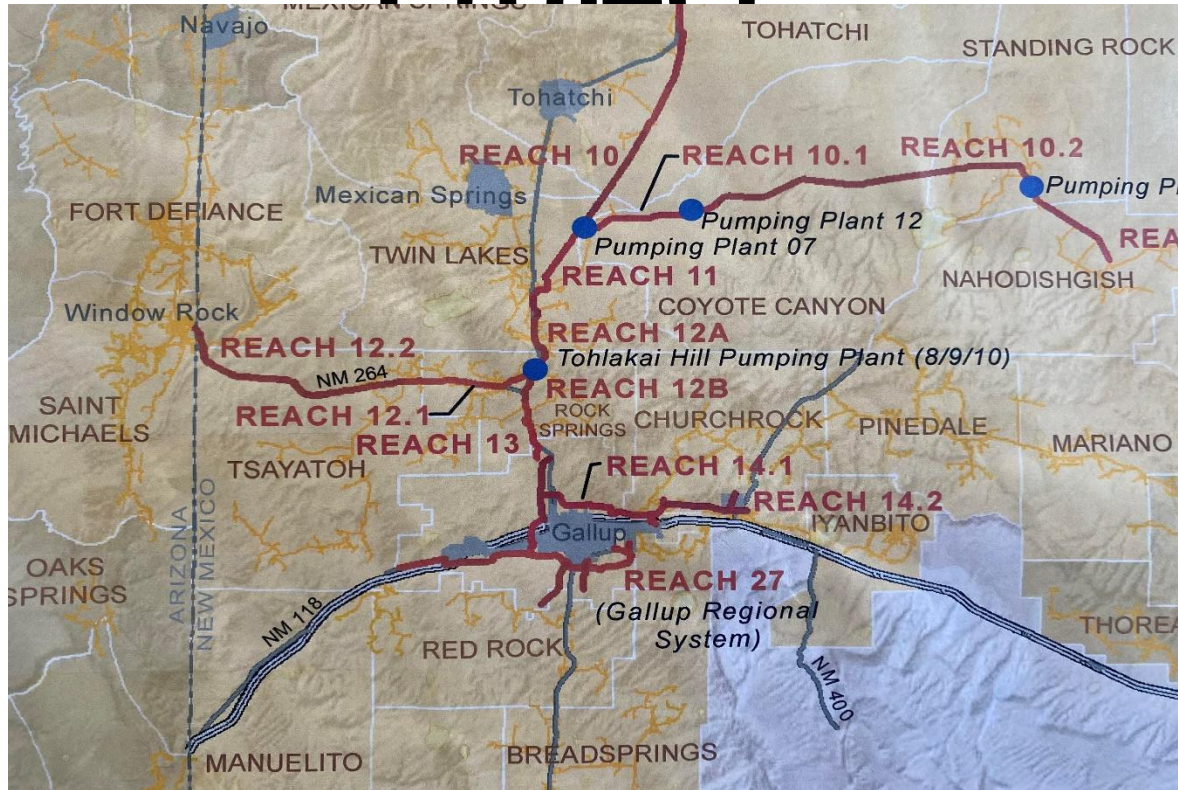
GLP-OKC | 670 Miles | 9h 47min

Logistics Industry trends – U.S.

- Port congestion especially in west coast ports ex. Long Beach and Los Angeles
- Driver shortages – average age is 57 years old
- Security requirements- increased
- Freight and labor costs- drives location decisions
- Regionalization - occurring for distributors
- Companies integrating rail – more flexibility and competitive costs
- Highway access is important
- Inland port expansion – more demand
- E-commerce- increased demand for distribution centers

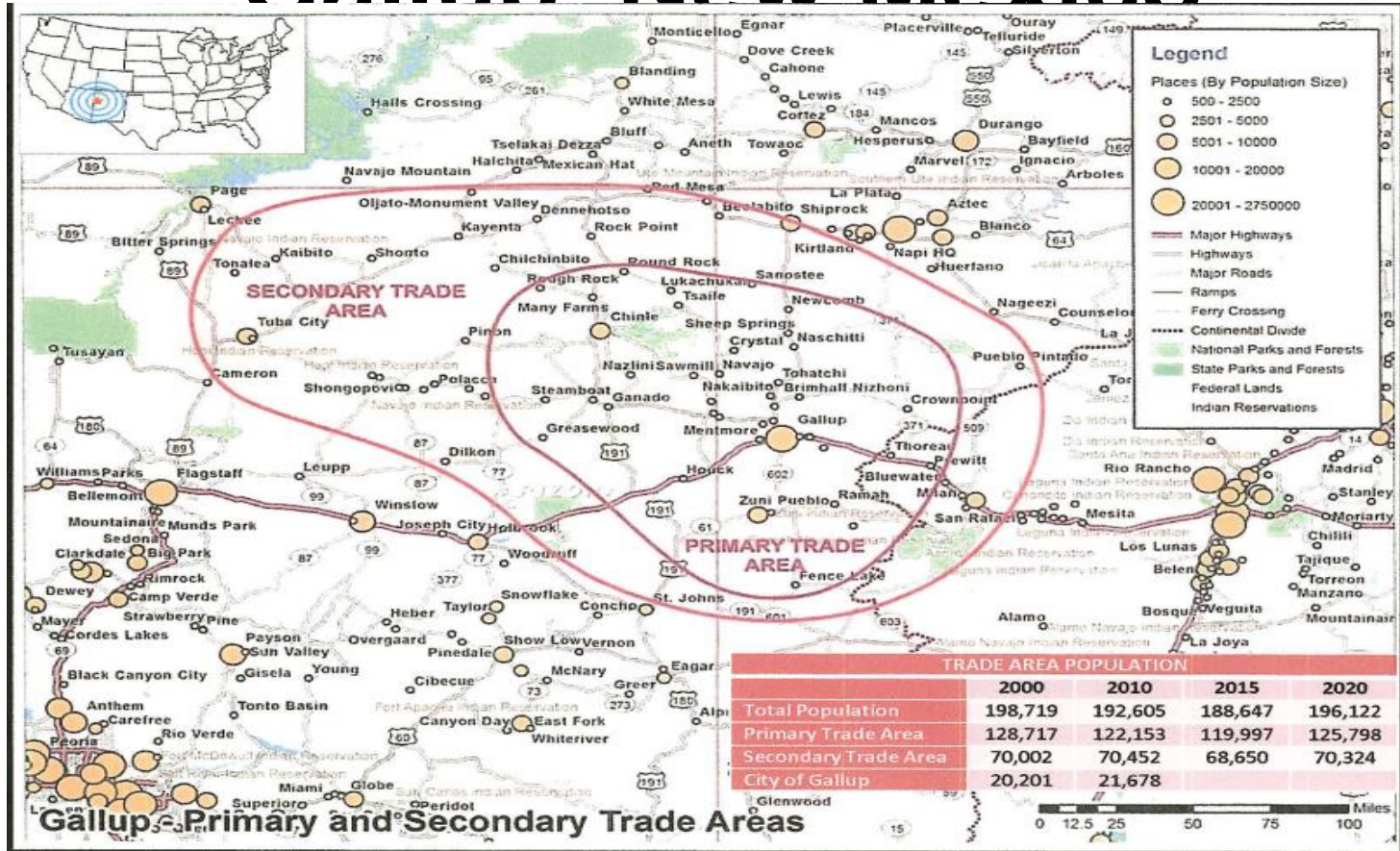
Source: Foote Consulting

Navajo Gallup Water Supply Project



Primary & Secondary Trade Areas

Gallup New Mexico



Gallup Target Industry Analysis

“Best Fit” Industries

Oil/Gas/Mining Equipment & Services

- Direct Access to I-40 & existing rail spur off of the BNSF mainline.
- Access to the Four Corners Region.
- Existing transload operation at GLP.
- Strong potential subsectors.
- Good labor availability.
- Need for specialized training.

Warehouse/Distribution (DC)

- Direct Access to I-40 & existing rail spur off of the BNSF mainline.
- Market access to the West and access to the Four Corners Region.
- May not be right for retail or e-commerce DC's due to distance to large metro areas
- Good unskilled labor availability and low wages.

Industrial Machinery

- Good potential for many types of manufacturing.
- Good labor availability, but some skilled labor concerns.
- Existing transload operation at GLP.
- Need for specialized training.
- Good sites with rail.

Plastic Products

- Good availability of unskilled workers.
- Good site with rail for transport of plastic pellets and I-40 access.

Food processing

- Access to NAPI and lack of rail in Farmington.
- Potential of ‘food in a box.’ containerization and transload at rail sites.
- Greenhouse niche is a possibility.
- Water and wastewater capacities are a concern right now, but are being addressed.
- Need for specialized training.

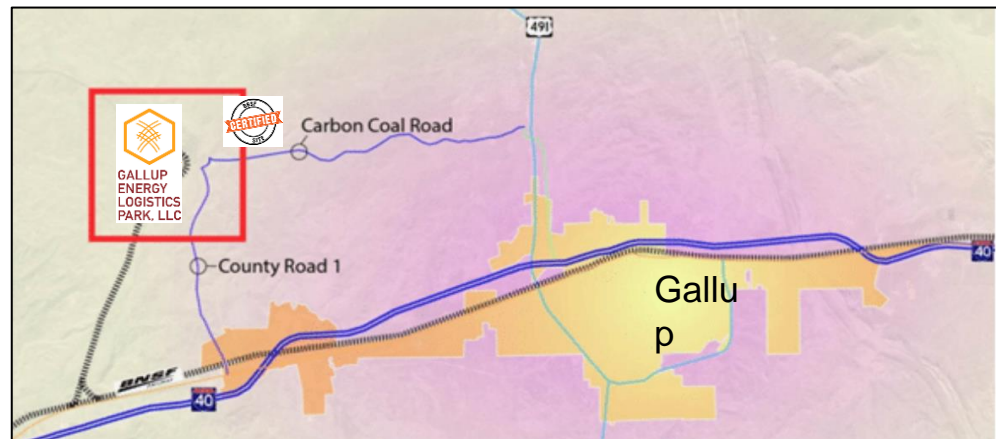
Gallup Energy Logistics Park

Contains

- 2,500 Acres
- 20,000 ft. Rail Loop
- Carbon Coal Road
- Natural Gas Pipeline
- Navajo-Gallup Water

BNSF Certified Site

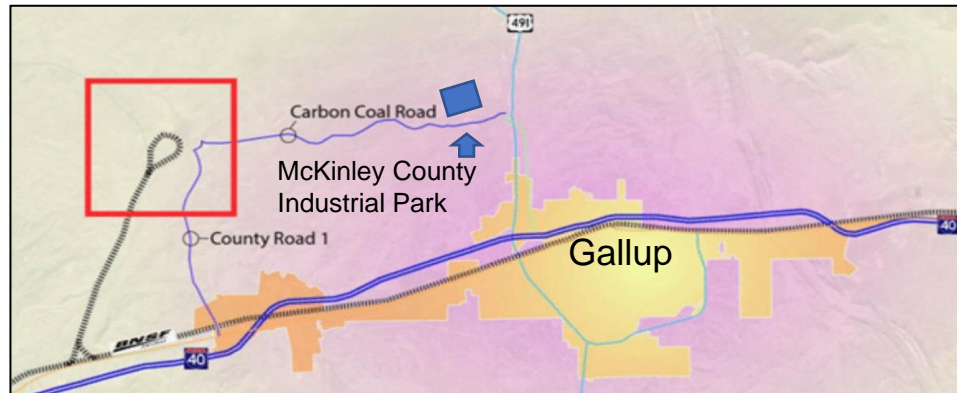
- 350 Acres
- Biological Survey
- Geotechnical Report
- Rail Site master Plan



McKinley County Industrial Park (MCIP)

Contains

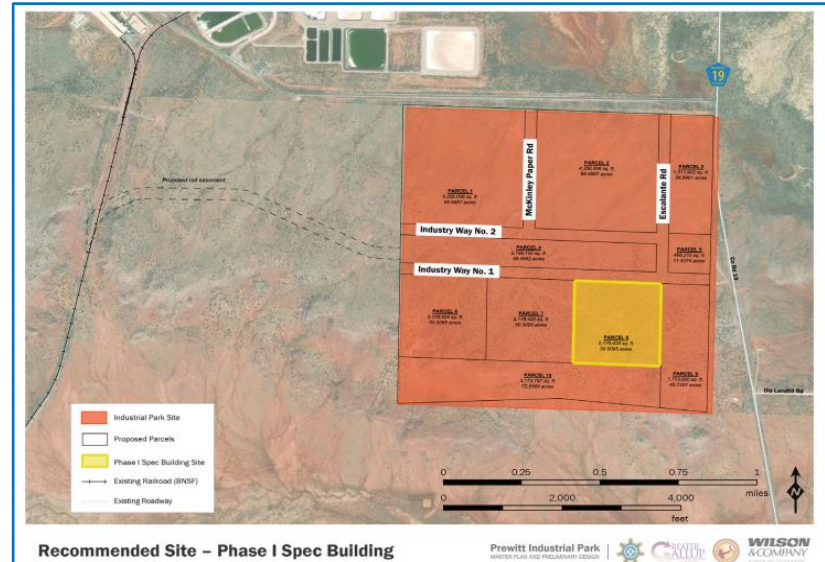
- 40 Acres
- Carbon Coal Road
- Natural Gas Pipeline
- Navajo-Gallup Water
- Near BNSF Certified Site (Gallup Energy Logistics Park)
- Master planned Industrial park
- Sites for lease or sale



Prewitt Industrial Park

Contains

- 625.85 Acres
- Direct Access to Interstate 40
- Proximity to Escalante Generating Station & McKinley Paper
- BNSF Southern Transcon
- Site Master Plan in Development



Tri-State Generation & Transmission Association's Escalante Generating Station Prewitt, NM

- **2022 – Proposed Conversion to Hydrogen Power with a New Company**
 - 300+ well-paying permanent jobs anticipated
 - Key NM Component in WISHH Proposal to DOE for \$1.25B Hydrogen Hub
- **State & Local County & EDO Support**



MPC Prewitt Mill

- 2021 - Business Retention & Expansion Award:
 - 125 jobs saved / 10 new jobs created
 - \$100,000 avg salary / benefits
 - \$5M – State of NM Support
- Bio-Pappel (Mexico)
- State & Local County & EDO Support

Foreign Trade Zone-Subzone Designation



U.S. Customs and
Border Protection

