

FY 2024 ANNUAL REPORT



GREATER GALLUP ECONOMIC
DEVELOPMENT CORPORATION

July 2024



GGEDC Staff and Board Members with Governor Michelle Lujan Grisham at the GGEDC Regional TradePort Economic Roundtable in Santa Fe, NM in January.

In This Report

03

**WORD FROM THE
PRESIDENT**

04

**FY 2023-24 HIGHLIGHTS
& GGEDC STAFF NOTES**

05

**MESSAGE FROM THE
EXECUTIVE DIRECTOR**

06

**BUSINESS RETENTION &
EXPANSION UPDATE**

- BRE/LEADS Grant Report
- Economic Roundtables (p. 8)
- Economic Development Week
- Workforce/SWIF-IWP (p. 10)

10

**BUSINESS ATTRACTION &
RECRUITMENT PROGRAM**

12

SPECIAL PROJECTS

- AV Test Track
- Inland Port
- Hydrogen Fueling Station

15

**2023-2024 GGEDC
Work Plan**

16

FINANCIAL STATEMENT

17

**Website & Marketing
Highlights**

Mission Statement

It is the mission of the GGEDC to 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 and promote a business-friendly environment.

Highlights
2023-2024



Left: GGEDC Board Members and staff with recipients of GGEDC annual business awards at the 2024 Business Retention & Expansion Luncheon. Right: GGEDC Executive Director Patty Lundstrom with Melinda Allen, Executive Director of the NM Partnership, and Jake Bracken, CEO Gallup Land Partners, attending the SelectUSA Trade show.

A Word From the President:

READING THE PRESENT!

None of us has a crystal ball to see the future. But we can see what is happening right now to help us shape that future.

In past messages, I have shared that much of what we do in our work at the Greater Gallup EDC is laying the foundation. For example, "Our organization has been working since its establishment to lay a foundation that would not be just a temporary fix - but rather one that would reach beyond even our own involvement; that would last beyond just the people who helped get this started and one that would undergird a first-rate economic development organization built on solid principles and best practices to in time bring to Gallup and McKinley County quality industries with good-paying jobs and would help spur on increasing economic growth."

But the time has come for us to do more than plan foundations. It will take all of us to now decide the future of the area by making choices with our public officials, business owners, investors, stake holders, and citizens that state we want more than just the status quo here. Good things are happening, but we also see dangerous threats around us with communities, states, and regions that seek for the same thing we do--growth. Only cooperation, vision, and leadership will allow us to go beyond these footings we have established into real job growth, retention and expansion of current industries, and the ability to have our children and grandchildren have a place to come home to.

The GGEDC cannot do it alone. Research on the viability of many of the projects we are currently exploring tells us that we do have threats- but we do enjoy opportunities before us. We have weaknesses, but those can be overcome with strength. Please join us in a positive and optimistic outlook for our beautiful area. Together we can grow an economy that will stand on these foundations that have been laid.

Here is how I read the present: **The stage is set. Time for focused action-- together!** -*Tommy*



Tommy Haws
President
GGEDC Board of Directors

GGEDC
Board of
Directors



Rick Murphy
Vice President



Joe Mesich
Treasurer



Kevin Taira
Secretary



Yogash Kumar
Director



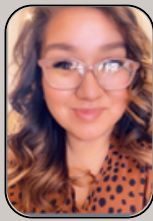
Tony Tanner
Director



Louie Bonaguidi
Ex-Officio/Mayor



Patty Lundstrom
Executive Director



Bernadine Lee
Office Manager



Bruce Armstrong
Economic
Development Mgr.



Jeff Kiely
Consultant



Kaitlin Becenti
Intern

Kaitlin is a returning summer intern for the GGEDC office. Born and raised in Gallup, NM, she is a senior Journalism major at the University of Southern California. Her assignments at GGEDC, from June to September, include contributing to research, publications, reports and technology upgrades.



Rose Joe
Intern

Rose is a returning summer intern. She attends UNM Anderson School of Management where she is earning her Master's degree in Cybersecurity. Rose's responsibilities include organizing documents and assisting Jeff Kiely on various GGEDC special projects.



Laureen Kee
Administrator I

Since joining GGEDC last December, Laureen has contributed to reports, supported website upgrades, and updated and organized contract files and resources. Laureen has proven to be an indispensable team member helping GGEDC to deliver its core economic development functions.

GGEDC Highlights

Major collaborative projects with McKinley County and the City of Gallup included planning for:

- **An Inland TradePort Complex**
- **R&D Ecosystem for Autonomous Vehicles (AV)**
- **A Hydrogen Fuel Hub**
- **A Foreign Trade Zone Designation, and**
- **A User Fee Airport**

Company interest in the Greater Gallup area is rising!

- Site selectors and companies are taking note of Gallup's strategic location and transportation assets, and especially Carbon Coal Road.
- Companies also are interested in our lower cost of operations, labor and land costs, and minimal risk of natural disasters.



Top: Rick Murphy, President of Murphy Builders, accepted a NM economic development award. Bottom: Various Gallup executive directors meeting with a prospective new company.

GGEDC & Gallup Thank Michael Sage for His Impactful Service

After eleven years dedicated to helping organize and develop all aspects of the GGEDC organization, Michael Sage, former GGEDC Deputy Director, took a new position in December 2023 with the New Mexico State Land Office as Assistant Commissioner, Commercial Resources.

Many recognized the critical role Michael's hard work and professionalism played in the growth and success of the GGEDC. Tommy Haws, GGEDC Board President and VP of Pinnacle Bank in Gallup stated that Michael's contributions were "invaluable in creating the award-winning organization, a state-of-the-art website, the planning documents and research materials available to site selectors, and other important aspects of doing the hard work of economic development in a rural area."



Michael Sage
Former Deputy Director

A Message from the Executive Director

A Regional TradePort in Gallup and McKinley County? Why the Concept Makes Sense

In January, the GGEDC hosted an economic roundtable in Santa Fe titled: "The Gallup/McKinley County Regional TradePort: New Prospects for the Western New Mexico Logistics Hub." The focus was on New Mexico's trade presence and the design and development of a multi-faceted "Trade Port" infrastructure, to include facilities and services associated with the Gallup Energy Logistics Park and the Gallup Municipal Airport.

Currently, the GGEDC provides technical support to McKinley County and the City of Gallup for overseeing and coordinating several state-funded design studies. Planning and designing several components of the regional TradePort Complex can be considered like laying the "bricks and mortar" and "hard foundation" of the Complex. This includes:

- **Planning and designing a Hydrogen/EV/Multi-fuel station hub focused on freight trucking along I-40**, potentially as part of a Trucking Super Center to provide 21st century facilities and services for the trucking industry and general cross country vehicular traffic.
- **Achieving designation of a Foreign Trade Zone (FTZ)**, along with a U.S. Customs User Fee Airport certification in conjunction with major facility improvements at Gallup Municipal Airport;
- **Planning and designing an Autonomous Vehicles (AV) Testing Ecosystem** serving companies researching and developing AV technology for freight transport vehicles.

Asked at the Roundtable about the "chicken-or-the-egg" issue of investing in infrastructure before the development occurs, Jim Blair, Managing Director of Navigator Consultants, stated the processes had to go hand-in-hand: business and industry attraction and recruitment efforts need to continue, but companies won't come here without the assurance that the critical infrastructure they require for their operations is in place.

"Stay the course ... what you're planning and working on today is going to result in thousands of jobs and exponential returns on your investments."

- Governor Michelle Lujan Grisham
at the GGEDC TradePort Roundtable

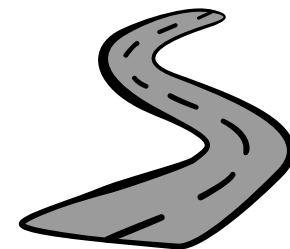
To fully realize the competitive opportunity presented by the Regional TradePort initiative, GGEDC will prioritize the targeting and attraction of industries based on current volume leaders, such as automotive, metals, industrial machinery, agribusiness, and bioscience with an emphasis on "green" industries that seek to reduce carbon pollution, especially along the nation's trade routes. We will support building a data-informed export strategy that helps with the supply chain to and from the Ports of Los Angeles and Long Beach to Asia.



Patty Lundstrom, CEC
Executive Director

In her Keynote Address at the Roundtable, Governor Michelle Lujan Grisham extolled us to keep "pushing harder" thinking boldly about our economic possibilities to make positive things happen." The Governor asserted that **New Mexico is building "the strongest economy we've ever had" and becoming an "economic powerhouse" with compelling advantages over our neighboring states.**

Calling the Gallup/McKinley Regional TradePort vision "fantastic," the Governor extolled the participants to "Stay the course... what you're planning and working on today is going to result in thousands of jobs and exponential returns on your investments," she said.



Business Retention & Expansion (BRE)

The GGEDC Business Retention & Expansion (BRE) Outreach Program, led by Economic Development Manager Bruce Armstrong, continued to grow as a core anchor of GGEDC's work. GGEDC partners with 11 economic-base employers in McKinley County, major employers that derive more than 50 percent of their revenues from outside of McKinley County or the state.

Key objectives of the BRE Outreach Program include building relationships and partnerships with economic-base companies based on trust and reliable delivery of economic development services and support, adding value to company's operations and supporting their expansion plans, and educating companies on economic development initiatives, regional priorities, and other work conducted by GGEDC.

GGEDC conducts hour-long annual BRE Surveys and site visits with each company to discuss challenges and opportunities the companies face. A regional New Mexico Economic Development Department (NMEDD) representative accompanies GGEDC staff on the visits.

The BRE surveys provide "actionable intelligence" - information addressing not only companies' ongoing goals and needs, but on the whole, information that demonstrates the general health of the economy.

Highlights of the FY 2023-24 BRE Survey:

- 5 of GGEDC BRE Partner companies plan to upgrade or expand their facilities and/or make major equipment purchases between 2024 and 2026.
- 5 BRE Partners added 53 new jobs to the economy and expected to add more during the rest of 2024.
- 7 partner companies were confident 2024 would be better than 2023 for their sales, orders, and profits.

Survey-Identified challenges included:

- Substantial workforce shortages continue, especially in filling senior level and professional positions and generally recruiting and retaining qualified talent.
- Though much less severe in FY2023-24, supply chain issues continued to cause delays in obtaining certain essential equipment, tools and materials.
- 8 GGEDC partners (73%) considered local roads and highways (apart from I-40) inadequate to their needs.

The awards ceremony at the GGEDC's Annual BRE luncheon in May was a special celebration as GGEDC presented more awards than in prior years. Several individuals, organizations, and companies were recognized for their very substantial contributions to economic growth in Gallup and McKinley County.

Board President **Tommy Haws** awarded **Peabody - El Segundo and Lee Ranch Mines** a **2024 Resilience in Business Award** for keeping the mines operating after the Escalante Generating Station, one of its primary customers, closed down in 2020. Peabody's commitment to the region and its employees was outstanding. In addition to saving the local coal mining industry, the company added 40 new, good-paying jobs.

Executive Director **Patty Lundstrom** awarded 2024 **Excellence in Business Awards** to three individuals: **Mike Hyatt**, Superintendent of Gallup McKinley County Schools; **Evan Williams**, Executive Director, NW NM Council of Governments, and **Bill Lee**, CEO, Gallup-McKinley Chamber of Commerce CEO.

Top: **Tommy Haws** presenting the 2024 Resilience in Business Award to two representatives of Peabody's El Segundo & Lee Ranch Mines. Left: **Patty Lundstrom** awarding Excellence in Business Awards to **Mike Hyatt & Evan Williams** (right), and **Bill Lee** (not pictured).

Rick Murphy Receives NM IDEA Award



Rick Murphy (Center) with GGEDC Board Members Tony Tanner and Kent Wilson.

"I believe Rick demonstrates and exemplifies the gold standard any agency would welcome in a volunteer. He has been a valuable asset in all aspects of the GGEDC's work."

- **Patty Lundstrom**



Rick Murphy, President of Murphy Builders and Vice President of the GGEDC Board of Directors, received **NM IDEA's 2024 "Dallen Sanders Award"** in January in recognition of his dedication and achievements in rural economic development in New Mexico. NM IDEA makes awards to individuals in six categories to encourage, recognize and promote outstanding achievement and professionalism in the field of economic development.

Business Retention & Expansion: Economic Roundtables

New Prospects for the Western New Mexico Logistics Hub

Two Roundtables in January & June

On January 26, 2024, the GGEDC convened its annual Economic Roundtable, "The Gallup/McKinley County Regional TradePort: New Prospects for the Western New Mexico Logistics Hub", in the La Terraza Room of the La Fonda on the Plaza Hotel in Santa Fe.

The 53 diverse stakeholder participants at the Roundtable included transportation, logistics and trade experts, elected officials, the Acting Cabinet Secretary of the New Mexico Economic Development Department, the President and CEO of the Transatlantic Business and Investment Council (TBIC), representatives of multiple companies doing business in McKinley County, and City of Gallup and McKinley County officials and staff. The keynote address by Governor Michelle Lujan Grisham concluded the event.

The key Roundtable objectives were:

- **Learning about the work and phases involved in developing the Gallup - McKinley County Regional TradePort; and**
- **Educating private sector partners, public officials, and key government agencies staff on opportunities and ramifications of developing the Regional TradePort.**

Presentations included:

- **"Unlocking New Opportunities: Toward a Strong Trade Presence in New Mexico",** presented by Patrick Schaeffer
- **"International Trade, American Markets, the Seaports, and Northwest New Mexico's Opportunities",** presented by Matthias Beier, and James
- **"McKinley County Inland Port: What's the Plan?" -by Jeff Sweeney & Joshua Nelson.**

The Governor's Keynote

Governor Lujan Grisham noted that transportation is about a lot more than fixing potholes; she highlighted that developing and utilizing transportation infrastructure is a tool of economic development. She stated, "If you can't move goods, people and services, and if you can't clear up rights-of-way and easements, and if you can't lay broadband fiber while you're laying down pavement, then you can't have economic development."

"New Mexico is the only place in the world that's figuring out how to do water in a way that treats it both as the resource it is, and also protects it."

-Governor Michelle Lujan Grisham

The Governor closed by saying that the Gallup/McKinley County vision is "fantastic" and that the groundwork being laid and the comprehensive approach are ahead of many other communities that are just getting their arms around what they want to do for the future. "You are to be recognized and applauded for that work. ... Stay the course, and I have no doubt that what you're planning and working on today is going to result in thousands of jobs and exponential returns on your investments."

A 2nd Roundtable Continued the Initiative

The GGEDC hosted a second Roundtable in Gallup on June 7th. The focus was on initial consultant reports addressing the "nuts and bolts" of developing the different facets of the TradePort. More information on the projects is on page 13.

Jeff Sweeney of Martin Associates provided an update on their progress on the market analysis of the Inland Port. He provided the details of their market study, illustrating key issues and opportunities for helping the Inland Port to become a reality.

Mr. Sweeney's project partner, Joshua Nelson of Hatch Associates, said "Transportation is such a huge economic enabler and we're always excited about being able to plug our skillsets in transportation planning and inland port planning and interfacing with the port authorities throughout the country, to bring that skillset forward to Gallup."

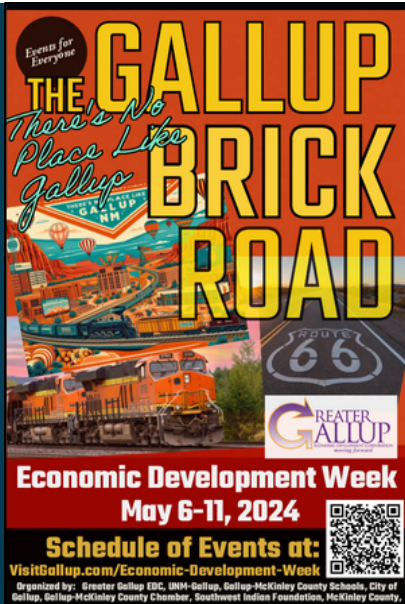


Governor Michelle Lujan Grisham gave the concluding keynote address at the January Economic Roundtable.

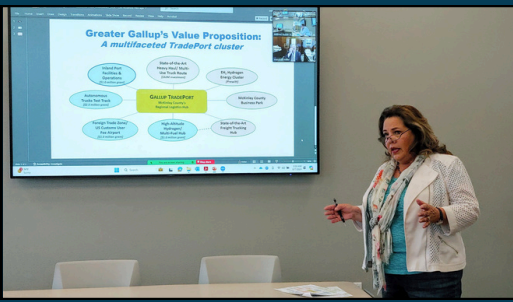
Kimley-Horn and Associates is developing plans to introduce hydrogen as a zero-carbon energy source. Aaron Gordon reported that "Gallup's location, being along a major interstate corridor and freight corridor, makes it ideal for testing out and piloting and, hopefully, implementing hydrogen's application in the heavy-duty trucking space," said Gordon, "This is a great opportunity not only for Gallup and the McKinley County but also for the hydrogen industry as a whole to show this technology is ready."

The Kimley Horn team is also assisting the County to design an Autonomous Vehicles Test Track that will allow McKinley County to become a hub for the southwest part of the country for autonomous vehicles. Consultant Casey McElroy predicted that "the test track will create many jobs through the need for labs for sensors, data centers, hospitality services, and testing facilities."

Business Retention & Expansion: Economic Development Week



The theme for 2024 Economic Development Week was "The Gallup Brick Road: There's No Place Like Gallup!" Daily presentations and events took place throughout the week, including the presentation Patty Lundstrom gave at the BRE Luncheon.



Seeking to drive economic growth through building on local assets and strategic partnering, the GGEDC served as a catalyst for a series of community events to celebrate Economic Development Week (EDW) from May 6th - May 11th. Established by the International Economic Development Council, EDW's intention to highlight the importance of economic development matches GGEDC's efforts perfectly.

"The Greater Gallup Economic Development Corporation has been working hard for more than a decade and more to lay foundations so that we are ready to grow."
- Tommy Haws, GGEDC Board President.

The Economic Development Role of Greater Gallup EDC:

Economic development is crucial in enhancing Gallup and McKinley County's economic well-being, wealth, and overall quality of life. At its core, economic development involves various activities to attract, create, and retain jobs to foster a resilient and growing economy. This collaborative effort requires close coordination between businesses, government entities, and various community stakeholders to achieve sustainable success.

GGEDC is dedicated to supporting new and existing economic-base businesses in Gallup and McKinley County. Our mission primarily supports locating and expanding industrial employers.

GGEDC's Services Include:

- **The GGEDC Business Retention & Expansion (BRE) Outreach Program**, supporting existing economic-base businesses to thrive & expand, creating jobs through infrastructure improvements and resources.
- **Marketing & Business Attraction:** Developing and executing campaigns to attract businesses and talent, showcasing community strengths to internal and external audiences.
- **Real Estate Development:** Engaging in developing industrial parks and incubators to stimulate economic growth.
- **Incentives:** Helping businesses access financial services and incentive programs to grow and expand.
- **Workforce Development:** Collaborating with various education and training providers to help ensure the development of a skilled talent pool, understanding and addressing company workforce needs.

Greater Gallup EDC Supports Business Success through Economic Development

GGEDC's efforts have received local and national recognition for its results in the past few years. Since 2021, the IEDC has been awarded three Excellence in Economic Development Awards to GGEDC. The organization has received Gold, Silver and Bronze awards for three separate initiatives since 2020. One of the awards was in the Best Use of Federal Economic Development Resources category, in which GGEDC won a Bronze level Award for creating the Greater Gallup Industrial Workforce Program. This community development project focuses on training residents of the Greater Gallup area in job skills and professional development. In 2021, the Southwest Indian Foundation (SWIF) took over the operation of the Industrial Workforce Program.

Business Retention & Expansion: Industrial Workforce Program & GMCS

★ “Building the Community One Tradesperson at a Time” ★



Above: Community members touring the SWIF warehouse during the Industrial Workforce Program Open House, held during Economic Development Week.

Below: IWP program participants learn heavy equipment operation and construction techniques.



In 2021, the Southwest Indian Foundation (SWIF) took over the operation of the Greater Gallup Industrial Workforce Program that was originally started by the GGEDC in 2019. In October, the Industrial Workforce Program was the recipient of a “Bronze Level” National Award from the International Economic Development Council (IEDC) for “Best Use of Federal Economic Development Resources”.

IWP is a community development project that focuses on training residents of the Greater Gallup area in job skills and professional development, with the understanding that it takes both qualities to succeed in the workplace and maintain a meaningful career. The IWP trains its students in areas such as heavy equipment operations, residential construction, welding, OSHA safety practices, and more. The program includes classroom instruction through the National Center for Construction Education and Research (NCCER) curriculum, as well as hands on job-site experience. **The IWP website is: industrialworkforceprogram.com.**

Since its conception in 1968, SWIF has built more than 300 residential houses.

Jeremy Boucher and Liam McCarthy, IWP program instructors, train students in Heavy Equipment Operation and involvement in the trades, providing quality training and preparing them to be successful in their future careers.

Additionally, SWIF partners with local businesses such as Murphy Builders and Horizon Enterprises, and invites its partners to use their subject matter expertise to provide valuable input into the program curriculum and development. These partnerships allow IWP to provide the most relevant workers to the community and give students the chance to demonstrate their value to local businesses and gain quality employment.

Gallup McKinley County Schools (GMCS), in collaboration with SWIF’s students, parents, staff and community stakeholders, created and refined “Elevate 2025” Career Pathways Program to provide students the opportunity to have hands-on learning in multiple technical skills and trades. Students in Middle School start exploring career options while learning employability skills. As students transition to high school, they will choose to become enrolled in one of our Schools Of: Engineering, Health, Media, Business, Manufacturing and Technology. Students in the Civics Service program can learn more about career options like Fire Fighting, EMS, Police, or Military Service. GMCS understands that students have multiple goals and aspirations and provide multiple pathways for success, where students can guide their educational journey.

Adapted from Tom Macik’s article in The Gallup Journey in April. Tom is Director of the Industrial Workforce Program.

Business Attraction & Recruitment (BAR)

★ Trade Shows and Conferences GGEDC Attended ★

2023 TransAtlantic Business & Investment Council (TBIC) Conference 2023 - Atlanta, GA

The TBIC Annual Conference brings together over 100 U.S. EDOs, US power utilities and service providers (e.g. construction companies), FDI experts and site selection consultants to foster transatlantic trade and investment by bridging the gap between U.S. EDOs and international companies planning to expand in the U.S.

Western Foodservice & Hospitality Expo - Anaheim, CA

The Western Foodservice & features all aspects of retail and food service from innovations in emerging plant-based foods to green packaging and delivery services to high tech food development and management. Bruce Armstrong, Economic Development Manager attended to identify opportunities to attract added value food manufacturing companies, such as cold storage and warehousing operations.

2023 Journal of Commerce Inland Distribution - Chicago, IL

The annual Inland Distribution Conference focuses on the North American supply chain that begins at the inbound (imports) and outbound (exports) ports of California. Patty Lundstrom, Executive Director, and Jeff Kiely, GGEDC Consultant, networked with high-level professionals with expertise in the supply chain and logistics industry, expanding GGEDC's capacity to be a player in this arena.

NM Partnership Statewide Familiarization Tour - Las Cruces, NM

In Las Cruces, from April 30 to May 2, 2024, Patty Lundstrom attended on behalf of GGEDC and provided a good understanding of the region and Greater Gallup area to 6+ site selectors.

Process Expo - Chicago, IL

This global food equipment and technology show represents the pinnacle of food technology, bringing together the world's most successful food and beverage processors, packaging professionals, equipment manufacturers, and leaders in the field from academia. Patty Lundstrom and City of Gallup Mayor Louie Bonaguidi attended.



2023 Outdoor Economic Conf. & Expo - Santa Fe, NM

This annual conference showcases the multidimensional ways outdoor recreation (OR) can help develop New Mexico's economy and identity. Bruce Armstrong, GGEDC Economic Development Manager, attended with the goal of identifying and attracting manufacturers of OR-related products.

GGEDC also supported the City of Gallup in its successful bid to host the 2025 Outdoor Economics Conference in Gallup.



2023 BreakBulk - Houston, TX

Bruce Armstrong, Economic Development Manager, attended the 2023 Breakbulk show, the largest trade event for the project cargo and breakbulk industry for insights into the rapidly changing international shipping and logistics industry. Significant changes include expanding sizes and weights of shipping components and international regulations driving the shift to the use of cleaner fuels.

Business Attraction & Recruitment (BAR)

★ Trade Shows and Conferences (Cont.) ★

Select USA Investment Summit - National Harbor, MD

Executive Director Patty Lundstrom joined the NM Partnership and various New Mexico EDOs at the 2024 SelectUSA Investment Summit in National Harbor, MD in June, 2024. SelectUSA is the top event in the U.S. for Foreign Direct Investment (FDI) promotion, connecting investors, companies, economic development organizations, and industry experts that help make investment deals happen through U.S. investment.



Patty Lundstrom with New Mexico Partnership staff and the Village of Los Lunas Economic Development Department at SelectUSA

2023 Houston Sales Mission - Houston, TX*



Bruce Armstrong, NM Partnership staff, and the Executive Director of the Economic Development Corporation of Lea County visited with the Consul General of India.

Bruce Armstrong, Economic Development Manager, joined the NM Partnership for the Houston Sales Mission. The group met with site selectors and trade missions from the consulates of Canada, Turkey, India, Denmark, Italy and Spain. NM Partnership trade missions allow participating EDOs to sell their regions and programs within the larger context of promoting New Mexico as a great place to do business.

IEDC Basic Economic Development Course - Silver City, NM

Executive Director Patty Lundstrom again provided expert instruction on "Managing an Economic Development Organization" at the Annual IEDC accredited Basic Economic Development Course in Silver City in July.

NM Governor's Conference on Economic Development - Albuquerque, NM

GGEDC Executive Director Patty Lundstrom and Bruce Armstrong, Economic Development Manager attended the Governor's Economic Development Summit in Albuquerque. The annual event brings together economic developers, community leaders, local elected officials, legislators, and other key partners to discuss economic development strategies, best practices, and plans for success. The conference will also include networking opportunities and featured speakers.

NM IDEA Summer Meeting - Rio Rancho, NM

Economic Development Manager, Bruce Armstrong, attended the NMIDEA Summer meeting in Rio Rancho, NM. Geared toward providing professional development and networking capacity for economic developers throughout New Mexico, the topic of the meeting was how to meet infrastructure needs for economic development.



2024 Breakbulk & Project Cargo Conference - New Orleans, LA

Breakbulk24 serves as a platform for intensive networking, negotiations, and relationship-building within the project and breakbulk logistics supply chain, including shippers, carriers, forwarders, land transport providers, technology providers, ports, terminals, railroads, and others who participate in this market."

GGEDC SPECIAL PROJECTS

Inland Port/Supply Chain Acceleration

The Greater Gallup EDC team – staff and consultants – worked under a professional services agreement with McKinley County to procure, manage, oversee and coordinate the work of top-rated consultants on crafting an ambitious plan for a fully functional “inland port.” In early 2024, the County was able to contract (under its planning grant from the NM Department of Transportation) with John C. Martin Associates, with logistics expert Jeff Sweeney of Lancaster, Pennsylvania serving as their project manager and market analyst. Martin Associates also subcontracted with the international firm Hatch Associates to perform the on-the-ground infrastructure development planning and design, with Joshua Nelson serving as their engagement manager.

The Inland Port project has emerged from a decade of planning work by the GGEDC and its partners, now promising to integrate several key elements of work that seek to take advantage of economic opportunities uniquely suited to Gallup’s geographic location and its transportation assets. GGEDC hosted two Economic Roundtables focused on creating an Inland Port in Gallup-McKinley County. It is hoped that working relationships can be established with the Ports of Los Angeles and Long Beach on the West Coast and with Port Houston on the Gulf Coast, thereby relieving the ports of cargo congestion and “accelerating” the supply chain by helping to capture, process and redistribute goods from our “hinterland” location. It is also hoped that our expanded logistics capacity will attract “green” manufacturing industry into the area, resulting in increased local economic revenues and good-paying jobs, as well as reduction of carbon pollution along the I-40/NBNSF trade routes.



AV Test Track/Proving Ground

Autonomous Vehicles

- Level one, driver assistance (e.g., adaptive cruise control)
- Level two, partial automation (e.g., Tesla’s autopilot)
- Level three, conditional automation (e.g., human drivers serve as backup for an autonomous system that operates under certain conditions)
- Level four, high automation (e.g., Google/Waymo test cars)
- Level five, full automation (e.g., no steering wheel in the vehicle)



Last Spring, the County retained international firm Kimley-Horn as an expert consultant for both the Autonomous Vehicle (AV) and Hydrogen Fuel projects. Kimley-Horn’s **Casey McElroy**, an engineer and native New Mexican with extensive experience in transportation planning, serves as project manager for the AV Test Track project. He is assisted by the company’s Proving Ground expert **Bill Mackey**. GGEDC is also overseeing and coordinating their work.

The current focus is on siting the Test Track near the Energy Logistics Park, with the goal of serving the technology testing needs of the emerging AV trucking industry. The design work will include participation and input from Torc Robotics, which has operations in Albuquerque, and other firms involved in AV trucking technology development.

Bill Mackey provided in the June Roundtable an overview of the AV testing industry. He advised participants to use more precise terms for the project. “Proving ground” is a more encompassing concept for a wide range of vehicles and testing purposes, and “ecosystem” recognizes that the project involves much more than just paved roadways. The concept includes laboratories, offices and manufacturing facilities, as well. Once planned and designed, although the project will require major funding investments from public and private sources, it will have great potential to serve the automotive industry and provide good-paying jobs locally.

GGEDC SPECIAL PROJECTS

Hydrogen/Multi-Fuel Hub

A third special project under a McKinley County planning grant from NMDOT involves planning and designing a Fueling Hub for commercial trucks and other vehicles operating with engines fueled by Hydrogen fuel (“H2”) or by Electric energy (“EV”) and/or other alternative fuel sources. GGEDC also is providing oversight and coordination for the project.

Kimley-Horn’s Aaron Gordon is serving as content expert and project manager for this initiative, bringing a wealth of knowledge and experience related to the Hydrogen energy “revolution.”

As part of the State’s “I-40 Decarbonization” initiative, Greater Gallup’s refueling hub facility will have increasing value in the future as trucking companies transition from diesel to

Both hydrogen and EV charging are gaining prominence as alternative fuel sources with the potential to reduce greenhouse gas emissions.

In conjunction with the EH2 project being developed by Tallgrass Company at the former Escalante Generating Station site in Prewitt, the Gallup region has the opportunity to ride “the wave of the future” by including Hydrogen at its fueling stations for truckers and other travelers. The project will also benefit from partnership with Hydrogen-based work taking place in the San Juan Basin, as well as with “Zero40,” a mega-project being proposed to the Federal EPA by the New Mexico Environment Department in collaboration with the State of Oklahoma and with communities in Arizona, to establish I-40 as a “Clean TradePort



Artist’s rendering of a hydrogen fueling station for trucks

Corridor” centered around Hydrogen and EV refueling stations at strategic intervals along the corridor.



Rendering of Planned Remodel of Gallup Municipal Airport

User Fee Airport & Foreign Trade Zone

The City of Gallup asked the GGEDC to oversee and coordinate work, under a NMDOT planning grant to the City, to establish the Gallup Municipal Airport as a US Customs-certified Foreign Trade Zone (FTZ), accompanied by a “User Fee Airport” (UFA) designation.

For this project, the City contracted with consultant Marshall Miller, the foremost expert in the FTZ field. Miller’s company has several decades of success and leadership in establishing FTZs throughout the United States and internationally.

Prior work conducted by Miller has shown potential for achieving FTZ/UFA certification in Gallup, but it will require the siting of a significant manufacturing employer in the Gallup “zone,” to serve as the private sector anchor for the designation.

In the June Roundtable, Miller provided a highly educational “FTA 101” overview of the FTZ field, emphasizing its potential value to business and industry owing to the cost relief such a designation can provide related to international import and export operations.

Business Attraction & Recruitment (BAR): Website + Marketing

Website Update



In May, GGEDC hosted a “Digital Ribbon Cutting” on Zoom for its substantially upgraded website.

Effectively Knocking on More Doors - Marketing Gallup & McKinley County

During FY 2023-2024, Jennifer Lazarz, marketing consultant, contracted with GGEDC to create a more user-friendly website experience; one that would allow prospective companies and site selectors to find specific information they typically seek on EDO websites website within 2-3 clicks of a mouse.

Jennifer also optimized the Search Engine (SEO) to facilitate internet users more easily finding the GGEDC website on Google and other search engines when seeking economic development information for Gallup.

Another component of Jennifer’s marketing contract entailed updating GGEDC’s marketing materials. She developed new brochures, rack cards and information sheets for trade shows, and aligned the look and content of the materials with that of GGEDC’s website.

GGEDC Website - 2023-2024 Analytics

Audience Overview



Total users 1 • ● 2,423

	Country	Total users
1.	United States	2,390
2.	Canada	19
3.	India	16
4.	Ireland	13

Total # of Users:

2,670

GGEDC Website:



www.GallupEDC.com

Where GGEDC website Viewers hail from:

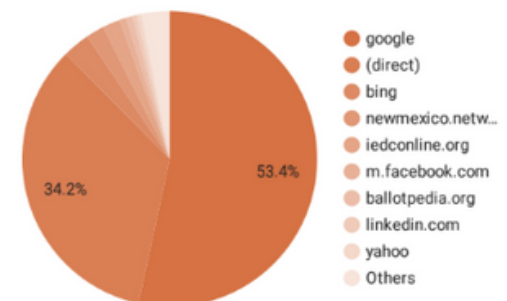
Top States:

New Mexico
Arizona
Texas
Colorado
California

Top Cities:

Gallup
Phoenix
Albuquerque
Columbus
Los Angeles

How viewers find the GGEDC Website:



GGEDC SPECIAL PROJECTS & EVENTS

The “Zero40” Clean TradePort Corridor Proposal, a Pollution Reduction Initiative, Included Gallup

GGEDC participated in a federal Environmental Protection Agency (EPA) grant application with the New Mexico Environment Department (NMED). GGEDC included its plans for developing a multifuel hydrogen / EV fueling station.

NMED submitted two EPA grant applications in 2024 for a total of \$577 million as part of the Climate Pollution Reduction Grant Program. New Mexico penned the latest grant as a three-state collaborative effort to help decarbonize the I-40 Corridor across three states, addressing climate change and air quality while expanding the economy and growing quality jobs.

The primary focus was on decarbonizing medium and heavy-duty primarily diesel vehicles, including semi-trucks and buses that travel on I-40. The grant proposals sought to grow opportunities to utilize hydrogen fuel through approaches and financial incentives to develop and build mobile hydrogen fueling stations along I-40.

“If funded, New Mexico [would have built] the necessary transportation infrastructure for local tourism and regional commerce while reducing carbon emissions and other air pollutants one mile at a time.”

The estimated cost for New Mexico’s portion of the Zero40 grant application was \$250 million. The grant sought to fund the clean transportation fueling component of planned manufacturing and logistics centers in Bernalillo and Sandoval County as part of the I-40 TradePort Corridor initiative and would have included Greater Gallup.

Zero40 also sought to fund an anchor clean transportation fueling location in Tucumcari, already home to the North American Wind Research and Training Center at Mesalands Community College.

“New Mexico’s bold vision for clean transportation connects Western states and our local communities along the new ‘Zero40’ corridor,”
- James Kenney,
Secretary, NM
Environment Department

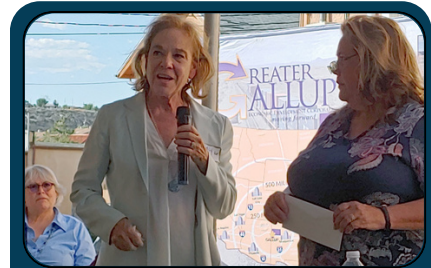
GGEDC’s 2024 Business After Hours

GGEDC hosted its annual “Business After Hours” event on Thursday, June 6th. GGEDC’s primary drive in hosting the event is to elevate the business and economic community to new heights, with attendees encouraged to share their projects, ideas, and initiatives over food, drinks, and music.

In her opening remarks, GGEDC Executive Director Patty Lundstrom hit on the key goals of GGEDC, focused on business retention and expansion through the McKinley County area and attracting and recruiting new companies. Both areas are linked together by industrial projects and projects in the works, such as creating a Regional Inland Port.

. Lorraine Ruggles, Region 1 Economic Development Representative for the NM Economic Development Department, praises GGEDC for carrying a large footprint in the community-especially with this event –allowing her to see firsthand initiatives GGEDC is implementing.

Regarding GGEDC’s determination to build economic growth, Ruggles said that GGEDC “doesn’t give up and they continue follow up in economic development. It is very important.” She added, “They’re out there, they’re visible, they do tradeshow, and sales missions that are out of the country so it helps get the word out about New Mexico and they’ve been very active in their activities for the state [along] with the community.”



Each June, the GGEDC Business After Hours Event brings together friends, partners and community members to socialize and support local economic development efforts.



Charles Remkes, Project Specialist, Intelligent Transportation with NMDOT accepting a raffle prize.

Financial Statement

Revenue:

	<u>FY 2024*</u>	<u>FY 2023</u>
Grant Income	\$524,872	\$521,918
Contributions & Support	\$31,000	\$22,000
Interest Income	\$12,804	\$11,079
Unrealized Gain (loss) on Investment	\$91,708	\$51,594
Other Income	<u>\$359</u>	<u>\$1,148</u>
Total Revenue	<u>\$660,743</u>	<u>\$607,739</u>

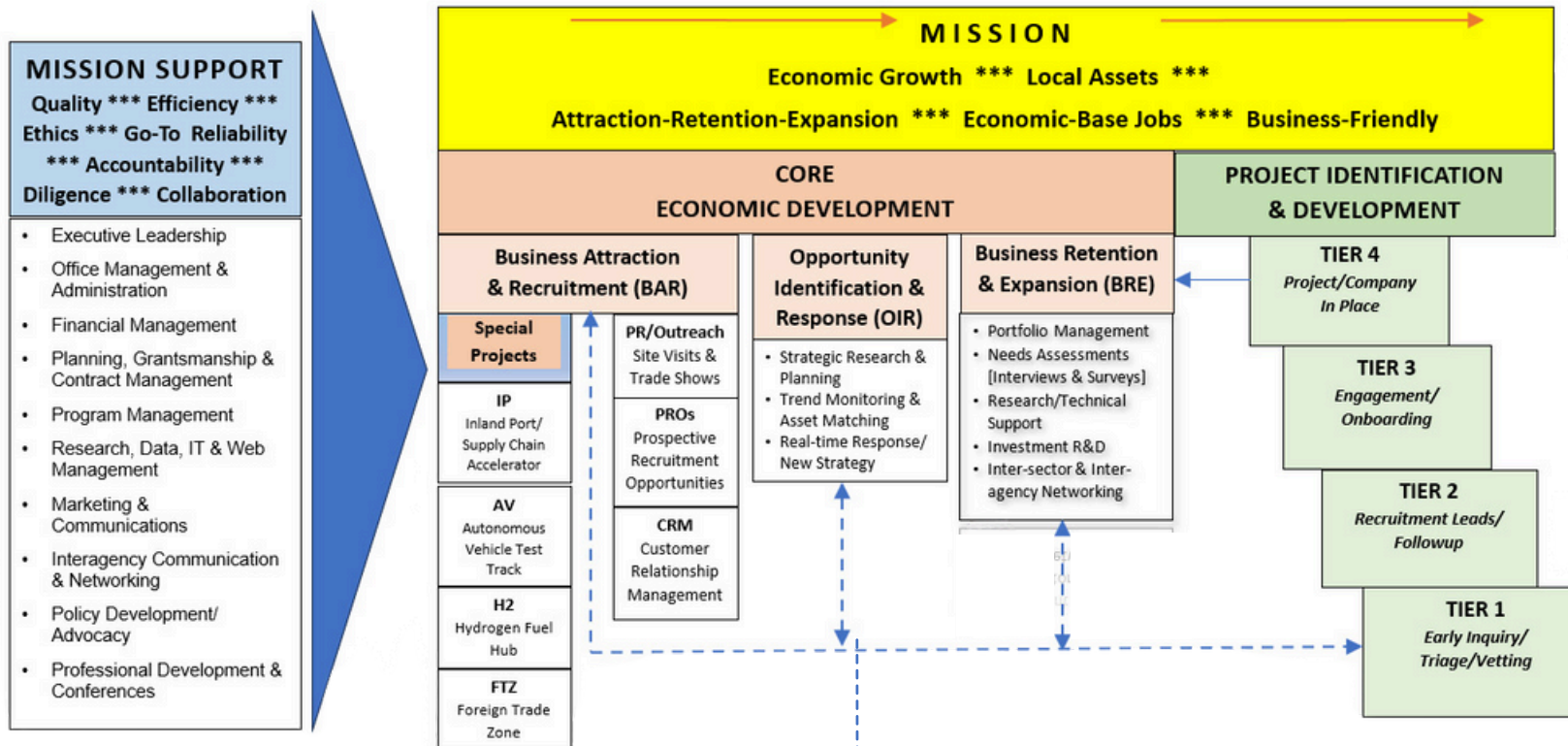
Expenses:

Program Services	\$514,674	\$492,469
General & Administrative	\$124,813	\$119,428
Fundraising	<u>\$13,693</u>	<u>\$13,102</u>
Total Expenses	<u>\$653,180</u>	<u>\$624,999</u>



Change in Net Assets	\$7,563	(\$17,260)
Net Assets at Beginning of Year	<u>\$1,864,744</u>	<u>\$1,882,004</u>
Net Assets at End of Year	<u>\$1,890,575</u>	<u>\$1,864,744</u>

FY 2023-24 Annual Work Plan



Jeff Kiely, Consultant, facilitated a staff work session focused on strategies to align GGEDC's 2024 annual work program and organizational goals.

"We know there are multiple pieces to the community's economic development puzzle, which includes many partners and their roles in making our area a better place. But the GGEDC's role is unique: we focus on core economic development that seeks to attract and grow economic-base industries and good-paying jobs. Without that, the other pieces can't grow and prosper."

- Jeff Kiely

**Greater Gallup Economic
Development Corporation:**



Website:

