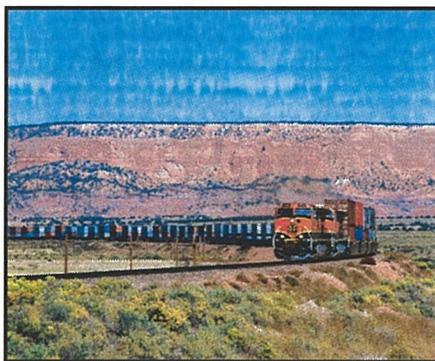


# Navajo Inland Port Feasibility Study



October 13, 2015

Interim Committee on Economic & Rural Development  
Gallup, NM

## Background

### What's an Inland Port?

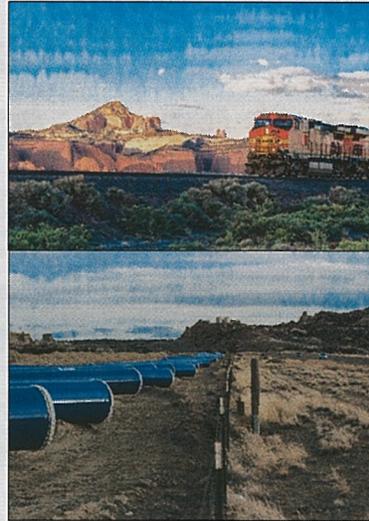
**Inland ports** are specialized locations developed to serve the intermodal transportation network. Ordinarily located along railroad lines, **inland ports** offer intermodal transfer facilities and can support international trade processing and other services.

Location?



## Responding to Economic Forces

- **2002: DISLOCATION**—Announced closure & phase-out of Pittsburg & Midway McKinley Mine
  - Loss of 600 economic base jobs
  - 2003: HJM 110
  - 2005: Capital Outlay (\$135,000) appropriated
  - 2006: Re-use Plan & Feasibility Study
- **2008: RESPONSE**—Project concept developed
  - David Lee, Chancey Martinez, Elroy Drake
  - Build on transportation assets and water supply
  - Keep & Reuse Defiance Rail Spur intact
- **2013: RESOURCES**—Locomotive Fuel Gross Receipts Excise Tax (HB120)
- **2014: SYNERGY**—With GLP Energy Logistics Park
  - 26,000 acres sold to Gallup Land Partners
  - Distribution and Target Industries Analysis
  - Rail Plan approved by BNSF



## Project Funding Overview

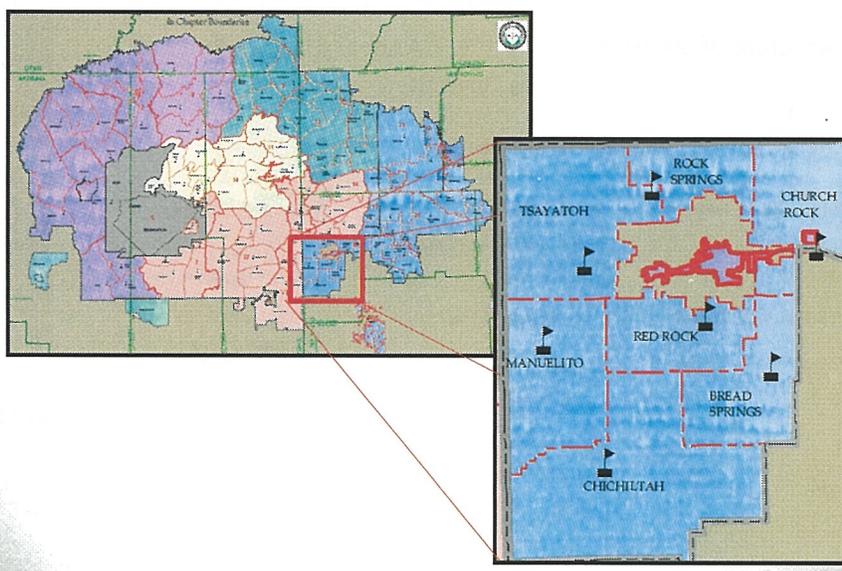
- **LEGISLATION:** 2014 Legislative Appropriation & Language
  - \$150,000 / Rep. Lundstrom
    - “for an inland port feasibility study for the Manuelito, Tsayatoh, and Rock Springs chapters in McKinley County”
  - Funds came to NMEDD to administer feasibility study process and completion of the work
- **RFP:** Rigorous state procurement process and guidelines
- **EXPERT SELECTION:** Evaluating Committee to choose contractor:
  - Elizabeth Davis, Therese Varela and Ruben Fragoso, NMEDD
  - Albert Lee, Navajo Nation
  - Michael Sage, Greater Gallup EDC
 Contract awarded (unanimously) to JBA & Associates
- **OVERSIGHT:** NMEDD Contract monitor - Elizabeth Davis
- **COMMITTEE SUPPORT:** NMEDD Community Development Team rep Leslie Kedely – organized meetings & distributed materials to the Steering Committee

## Year-Long Process to Complete Study

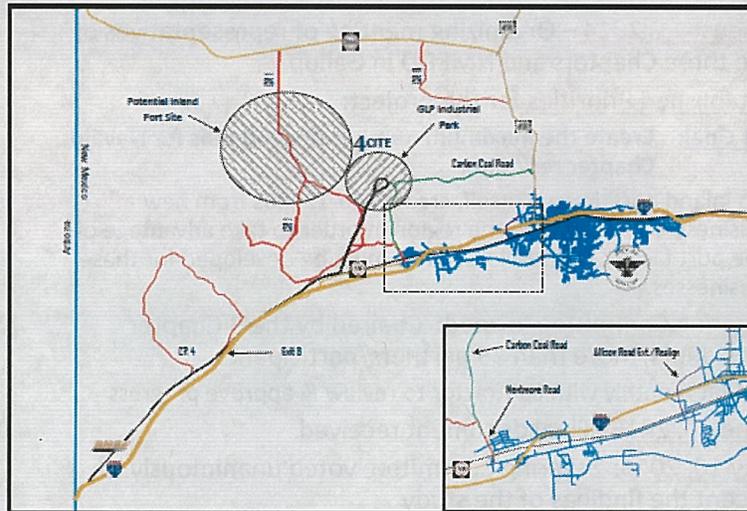
- August 11, 2014 – Organizing meeting of representatives of the three Chapters and NMEDD in Gallup
- Established Priorities for the project:
  - #1 Goal: Create the maximum number of good jobs for Navajo Chapter residents**

An inland port, in and of itself, creates 10-12 jobs from new businesses relocating to the region in order to take advantage of the port facility and services. Sites must be developed for these businesses.
- Steering Committee formed: Chaired by the 3 Chapter Presidents; more than 25 partners/participants
  - Met monthly with contractor to review & approve progress
- June 29, 2015: Final document received
- July 10, 2015: Steering Committee voted unanimously to accept the findings of the study

## Manuelito, Rock Springs, Tsayatoh



## Project Area



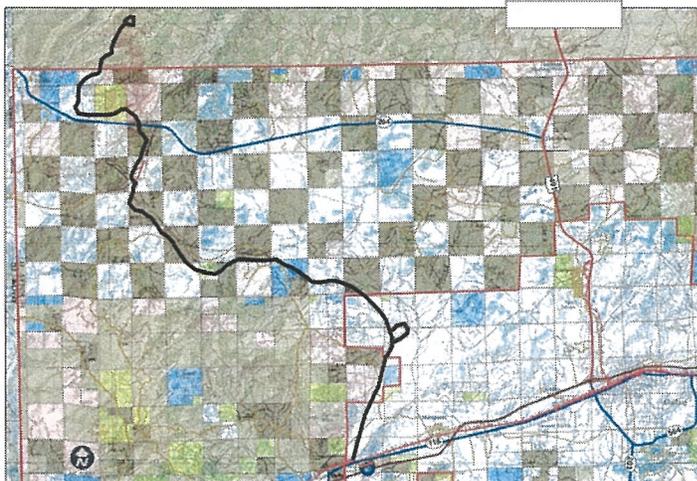
## Project Steering Committee

- **Structure of Steering Committee** – A Locally Driven Process
  - Chapter Presidents as Steering Committee Chairs
- **Steering Committee Working Group:**

Manuelito Chapter	Rock Springs Chapter	Tsayatoh Chapter
Navajo Nation Econ Dev Dept	McKinley County	NWNM Council of Governments
Greater Gallup EDC	Gallup Land Partners	New Mexico Econ Dev Dept

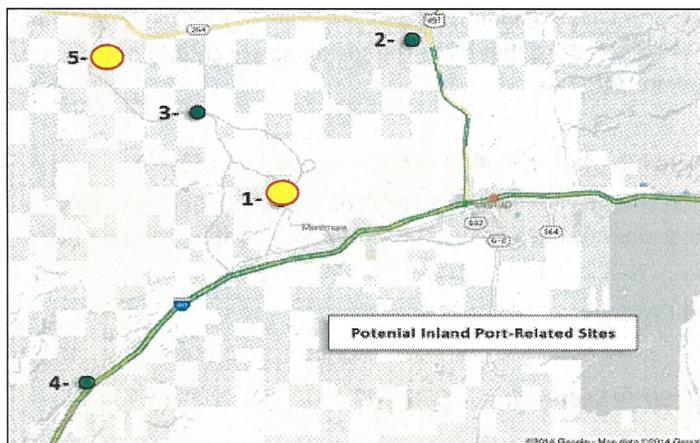
## Project Report Findings

- FEASIBLE: Establishing an Inland Port on the Navajo Reservation utilizing The Defiance Spur is feasible



## Project Report Findings

- SITES: 2 sites potential sites identified



## Project Report Findings

- **SITE SELECTION:** Factors considered when reviewing sites:

• Location relative to existing rail lines	• Ease of access to main roadways
• Topography	• Zoning
• Access to site using existing at grade rail	• Proximity to utilities including broadband
• BNSF development and future investment plans	• Proximity to BNSF TransCon Corridor
• Proximity to Interstate 40 and other highway suitable for commercial traffic	

## Next Steps: DRILL-DOWN STUDIES

- **Comprehensive Site Analyses**
  - Ensure all problems are identified and solutions scrutinized to determine the preferred solutions that meet the sustainability criteria of the proposed project.
- **Comprehensive Market & Economic Feasibility Analysis**
  - Determine whether the proposed project is well-founded and likely to fulfill the economic needs and goals of the participating communities.

- **Estimated Cost:** \$150,000  
 → **Need: \$100,000 - \$150,000**
- **Funds Currently Secured:** \$50,000

## Why this project is important

- **NEW JOBS:** Create jobs for community residents
- **RELIEVE UNEMPLOYMENT:** Tackle high unemployment rate
- **RETAIN TALENT:** Keep residents from leaving the community
- **SKILLS:** Build community workforce skillsets
- **BUILD ON ASSETS:** Leverage new and improved infrastructure
- **LOCAL ECONOMY:** Generate revenue to fund local community services

Your support of this project  
will mean **new jobs**  
& a **better quality of life**  
for Chapter, County & State residents.

Thank you!

Questions?