

County approves \$30 million IRB for construction of glove factory

Written by By Cody Begaye Sun Correspondent
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Members of the McKinley County Smart Growth Commission were at the regular McKinley County Board of Commissioners meeting July 24 to recommend that the county approve a \$30 million industrial revenue bond as an economic development incentive to Rhino's Health LLC, a supply company based out of South Korea.

The plan laid out by Sharlene Begay-Platero, an industrial specialist with the Navajo Nation, involves utilizing the empty factory to the east of Fire Rock Casino, 309 E. Highway 66, as a manufacturer of nitrile gloves, which will bring in an anticipated number of 300 to 400 employees. The plant was used to manufacture latex gloves before being closed in the early 2000s.

"There is a need to expand, be competitive," Begay-Platero said during the meeting, citing the need for more employment opportunities.

This plan will be carried out in three phases. As described by County Attorney Douglas Decker, the IRB will be used to purchase equipment for a glove factory to begin production.

Phase 1 of this plan is expected to cost around \$4 million, and involves the purchase of one manufacturing line at the factory site. This will allow one size of nitrile glove to be made.

Phase 2 carries a price tag of \$25 million, and includes purchasing equipment for six manufacturing lines, which will allow six sizes of gloves to be made. This will allow the plant's

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production to be sustainable, Decker said.

Phase 3 will add another six lines to the plant for a total of 12 manufacturing lines.

Once the production lines are in place, the project efforts will shift to construction of a second building that will be immediately to the west of the existing building. Given that this new building will not have complex design or features, it is expected to be built more quickly, Decker said.

Groundbreaking is anticipated to happen in early 2019. The goal is to have all 12 manufacturing lines operating at full capacity by 2020.

Jonathan Nez, vice president of the Navajo Nation, was present at the meeting to support the approval of the bond.

“This plan has been discussed for some time,” Nez said during the meeting.

Nez stated that the Navajo Nation owns the land between the railroad and the highway that the facility stands on. The plan would call for resources from the Navajo Nation, McKinley County, and the state of New Mexico.

“This is an opportunity for a partnership between the state, county, and the Navajo Nation,” Nez said. “This could be that seed for development around Gallup.”

Both Begay-Platero and Nez cited the number of jobs that this would create for the Gallup area. The employment level and quality of life would both rise, leading Nez to call the development plan a win-win for the whole region.

When asked about the other groups with input on the project, Begay-Platero said that she has

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worked with good economic developers to evaluate the site. They have worked with the Navajo Tribal Utility Authority on water input and the City of Gallup for the sewer system so that the water from the plant can be recycled and treated.

McKinley County Commissioner-Chairperson Genevieve Jackson called the plan a shot in the arm for the people of the region, citing that people looking for jobs would be served well by the employment opportunity and that the county can utilize a factory plant that has been empty for 10 years.

County Commissioner Bill Lee said that a project of this magnitude is marked as a legislative priority for the county, and that the community should come together to support this project.

The motion was approved with a 3-0-0 vote.

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