

Overview - The Raytheon Diné Facility (RDF) located on the Navajo Nation just South of Farmington is part of the Raytheon Missiles and Defense Company (RMD) which is part of the Raytheon Technologies Corporation (RTX). RDF is an advanced manufacturing and test facility that occupies 68,000 sqft of manufacturing space and 30,000 sqft of warehousing. The site has been in continuous operation since August of 1989 and is characterized as high-mix manufacturing. Due to the cost performance that RDF offers, there is opportunity to expand its operations with legacy work that is currently being performed throughout the portfolio of RTX, however the facility is currently fully occupied and to expand operations will require additional space. And while the site offers significant labor cost savings to the company, the time and cost of building expansion or construction significantly extends the Return on Investment (ROI) timeframe. A scenario where manufacturing space is made available with minimum capital outlay from the company would go a long way in setting the stage for growth.

The opportunity at RDF crosses all three elements of the State's Energy Transition Act.

- Training of manufacturing technicians, product test specialists, warehouse workers and support engineers would likely qualify for requirements within the Department of Workforce Solutions fund. RDF participated in three JTIP contracts in 2018-2019.
- The current workforce is comprised of over 90% employees of Navajo heritage and the site complies with the Navajo Preference of Employment Act. The facility is on the Navajo Nation and the hardened facilities are owned by the Nation as part of the NAPI Industrial Park. The benefit to the Nation could qualify for funding under the Indian Affairs Department.
- The ability to create a sizable number of permanent employment opportunities and expand the current facility capabilities could qualify for funding under the Economic Development Department.

Description of the project-

The project would have short and mid-term objectives. In the short-term, utilize funds to upgrade existing facilities in or near Farmington to satisfy manufacturing and security requirements to enable rapid expansion of capability (less than one year). Concurrently and to satisfy needs for the mid-term, design and construct additional manufacturing and warehousing capability on the current site on the NAPI Industrial Park (3-4 years forecasted). Job growth is estimated to be up to 30 positions with extensive benefits and pay range approximately \$16/hr for workforce and \$50/hr for supporting roles.

Impact- The site is currently in the top 10 for business presence in the region and is the only high-tech electronic and mechanical manufacturing facility. Many of the displaced workers from the energy sector would be ideal candidates for employment. The site maintains an active role through volunteerism and donations within the local community, both on Navajo and within San Juan County.

Level of Community Support – Site leadership is actively engaged with both community leaders and the 4 Corners Economic Development staff.

Alignment with affected community – RDF offers stable, career-based employment which is in perfect harmony with community goals for employment stability.

Leverage – There are funds potentially available through the Navajo Nation Economic Development department. For past expansion efforts, RDF has provided an active role with project management as well as funding for necessary infrastructure.

Leadership – Gary Frey is the site director and will have a personal role in the management of this effort. Gary leads a cross-functional team that possesses the majority of necessary capabilities for project definition and execution. Additionally, the Raytheon Missiles and Defense (RMD) organization has corporate-level resources that specialize in the legal aspects required for this project.