

LABOR RELATIONS



JUN 30 2014

June 30, 2014

Mr. Mark Dimondstein
President
American Postal Workers
Union (APWU), AFL-CIO
1300 L Street, NW
Washington, DC 20005-4128

Certified Mail Tracking Number:
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Dear Mark:

This letter is to provide notice that Network Consolidation activities which had been placed on hold previously will resume in January, 2015. This is a continuation of Area Mail Processing (AMP) consolidation activity approved by the Postal Service Board of Governors in 2011. On September 14, 2011, the Postal Service informed the unions and management organizations of its intent to conduct feasibility studies at 242 mail processing sites. Notice of the decision to consolidate 225 of the 242 sites was provided on February 23, 2012.

Please find enclosed a list of the sites to be consolidated beginning in January, 2015. Please find enclosed also Newsbreak and Postal Link articles. Enclosed also are copies of three (3) stand-up talks. The first is for a General standup talk, the second is for an impacted consolidation site, and the third is for an impacted gaining site.

It is projected that these consolidations will result in significant savings for the Postal Service. Some affected career employees may be reassigned to other vacant positions. Reassignments will be made in accordance with Article 12 of the collective bargaining agreement.

Notice of the AMP events moving forward has been provided and in the event excessing takes place, the Postal Service will meet with the APWU at the Area/Regional level to discuss excessing events, and will provide updated employee impact. Any movement of employees outside their installation is anticipated to take place on the January 10, 2015 move date.

If you have questions, or need additional information, please contact me at extension 5421.

Sincerely,

A handwritten signature in black ink, appearing to read "Pat M. D".

Patrick M. Devine
Manager
Contract Administration (APWU)

Enclosures

Internal Use Only

Mandatory Stand-Up Talk

NOTE TO SUPERVISORS:
Please make sure you are
reading the Stand-Up Talk
intended for your facility.

June 30, 2014

Network Rationalization Update / Facilities Not Impacted

The Postal Service is moving forward with the next phase of its network rationalization. Beginning in January 2015 and concluding prior to the fall mailing season, up to 82 facilities will be consolidated.

Our facility is not on the list to be consolidated, however some staffing adjustments may be necessary. Any actions taken will be in compliance with applicable law, collective bargaining agreements, and Postal Service regulations and policies. Our job moving forward is to continue to do excellent work on behalf of the Postal Service and our customers.

The first phase of this process began two years ago and concluded last year. The Postal Service is resuming the network rationalization as we continue to deal with significant financial challenges, including major losses during the past three years.

We remain committed to keeping employees informed throughout this process.

Here's a message from PMG Pat Donahoe with more information.

(PLAY VIDEO)

If you have questions about this announcement, I will answer those that I can. For those questions I cannot answer, I will get answers for you. Thank you.

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June 30, 2014

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Mandatory Stand-Up Talk

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Please make sure you are
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June 30, 2014

Network Rationalization Update / Facilities to be consolidated

The Postal Service is moving forward with the next phase of its network rationalization. Beginning in January 2015 and concluding prior to the fall mailing season, up to 82 facilities will be consolidated.

The first phase of this process began two years ago and concluded last year. The Postal Service is resuming the network rationalization as we continue to deal with significant financial challenges.

Our facility is on the list to be consolidated. As a result of this action, staffing adjustments **will** be necessary. Any actions taken will be in compliance with applicable law, collective bargaining agreements, and Postal Service regulations and policies.

The Postal Service is working through the details of what this will mean for our facility. For employees who may be impacted by consolidations, we remain committed to finding reassignment opportunities in other locations. We also remain committed to keeping all employees informed throughout this process.

For now, the Postal Service asks that you continue to do your job to the best of your ability, and that you continue to work with our customers to assure them that the transition will be smooth.

Here's a message from PMG Pat Donahoe with more information.

(PLAY VIDEO)

If you have questions, I will answer those that I can. For those questions I cannot answer, I will get answers for you. Thank you.

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June 30, 2014

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Mandatory Stand-Up Talk

June 30, 2014

NOTE TO SUPERVISORS:
Please make sure you are
reading the Stand-Up Talk
intended for your facility.

Network Rationalization Update / Facilities Gaining Volume

The Postal Service is moving forward with the next phase of its network rationalization. Beginning in January 2015 and concluding prior to the fall mailing season, up to 82 facilities will be consolidated.

The first phase of this process began two years ago and concluded last year. The Postal Service is resuming the network rationalization as we continue to deal with significant financial challenges.

Our facility is not on the list to be consolidated. However, we will receive additional volume as a result of the network rationalization. Staffing adjustments may be necessary. Any actions taken will be in compliance with applicable law, collective bargaining agreements, and Postal Service regulations and policies.

The Postal Service is working through the details of what this will mean for our facility. For employees who may be impacted by consolidations, we remain committed to finding reassignment opportunities in other locations. We also remain committed to keeping all employees informed throughout this process.

For now, the Postal Service asks that you continue to do your job to the best of your ability, and that you continue to work with our customers to assure them that the transition will be smooth.

Here's a message from PMG Pat Donahoe with more information.

(PLAY VIDEO)

If you have questions, I will answer those that I can. For those questions I cannot answer, I will get answers for you. Thank you.

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LINK



The Postal Service will continue the rationalization of its mail processing operations next year, PMG Pat Donahoe announced today.

Up to 82 facilities will be consolidated beginning in January 2015 and concluding prior to the fall mailing season. The changes are expected to generate \$750 million in annual savings.

"The Postal Service has recorded substantial losses over the last three years and continues to see steep declines in First-Class Mail volume and revenue. As a result, we find ourselves with excess capacity in the network and few alternatives to reduce costs. Our operating costs are continuing to increase, and our debt and other liabilities threaten our financial viability," Donahoe said in a video message to employees.

USPS also is grappling with legislative mandates, ongoing uncertainty over legislative reform, and a court review of recent price changes, which have delayed much-needed investments in new equipment and vehicles.

In 2012 and 2013, USPS consolidated 141 mail processing facilities, generating annualized cost savings of approximately \$865 million. The consolidations, which required no employee layoffs.

For employees who may be impacted by upcoming consolidations, the Postal Service remains committed to finding reassignment opportunities in other locations. Donahoe emphasized that the Postal Service also remains committed to keeping employees informed.

"For now, I ask that you continue to do your job to the best of your ability and continue to work with your customers to assure them that the transition will be smooth. You have my commitment that I'll continue to keep you informed as we work with you to make these transitions," Donahoe said.



Contact: David Partenheimer
202.268.2599
david.a.partenheimer@usps.gov

U.S. POSTAL SERVICE TO RESUME NETWORK RATIONALIZATION

Today, the U.S. Postal Service advised customers of its intent to resume network rationalization activities, by consolidating up to 82 facilities, beginning January 2015. These activities will be completed by the fall mailing season. This is a continuation of network rationalization activity approved by the Postal Service Board of Governors in 2011.

In the last three years, the Postal Service recorded financial losses of \$26 billion. As an organization that receives no tax-payer funds to pay for operating costs and derives all of its revenues from the sale of our products and services, the Postal Service continues to face significant financial challenges associated with the decline of First-Class Mail volume and revenue, wage and benefit inflation, increasing operating costs, as well as legislative mandates and significant debt pressures.

Moreover, the uncertainty regarding legislative reform and review of postal rates in the courts continues to delay needed capital investments in network operations and undermine the future financial viability of the Postal Service.

In 2012 and 2013, the Postal Service consolidated 141 mail processing facilities. This rationalization of our network was highly successful, resulted in negligible service impact, required no employee layoffs, and generates annual cost savings of approximately \$865 million. The Postal Service expects the completion of network rationalization will generate an additional \$750 million in annual savings.

June 30, 2014

Future Network Rationalization Planned AMP Consolidations

Continuation of Phase I consolidations dependent on completion of North Houston facility expansion

Consolidation Facility				Gaining Facility(ies)			
Area	Facility	City	State	Area	Gaining Site	City	State
1 SA	Beaumont P&DF	Beaumont	TX	SA	North Houston P&DC	Houston	TX
2 SA	Houston	Houston	TX	SA	North Houston P&DC	Houston	TX

Planned Phase 2 Consolidations

Consolidation Facility				Gaining Facility(ies)			
Area	Facility	City	State	Area	Gaining Site	City	State
1 SA	Huntsville P&DF	Huntsville	AL	SA	Birmingham P&DC	Birmingham	AL
2 WA	Tucson P&DC	Tucson	AZ	WA	Phoenix P&DC	Phoenix	AZ
3 PA	Eureka CSMPC	Eureka	CA	WA	Medford CSMPC	Medford	OR
4 PA	Industry P&DC	City Of Industry	CA	PA	Santa Ana P&DC (letters) Anahelm P&DC (flats)	Santa Ana Anahelm	CA CA
5 PA	North Bay P&DC	Petaluma	CA	PA	Oakland P&DC	Oakland	CA
6 PA	Redding CSMPC	Redding	CA	PA	West Sacramento P&DC	West Sacramento	CA
7 WA	Colorado Springs P&DC	Colorado Springs	CO	WA	Denver P&DC	Denver	CO
8 NE	Southern Connecticut P&DC	Wallingford	CT	NE	Hartford CT P&DC	Hartford	CT
9 NE	Stamford P&DC	Stamford	CT	NE	Springfield NDC	Springfield	MA
10 SA	Gainesville P&DC	Gainesville	FL	NE	Westchester NY P&DC	White Plains	NY
11 SA	Manasota P&DC	Sarasota	FL	SA	Jacksonville P&DC	Jacksonville	FL
12 SA	Mid-Florida P&DC	Mid Florida	FL	SA	Fort Myers P&DC	Fort Myers	FL
13 CM	Athens GA P&DF	Athens	GA	SA	Tampa P&DC	Tampa	FL
14 SA	Augusta P&DF	Augusta	GA	SA	Orlando P&DC	Orlando	FL
15 WA	Pocatello ID CSMPC	Pocatello	ID	CM	North Metro P&DC	Duluth	GA
16 GL	Fox Valley P&DC	Fox Valley	IL	CM	Columbia P&DC	West Columbia	SC
17 GL	Gary P&DC	Gary	IN	SA	Macon P&DC	Macon	GA
18 GL	Kokomo IN P&DF	Kokomo	IN	WA	Salt Lake City P&DC	Salt Lake City	UT
19 GL	Lafayette IN P&DF	Lafayette	IN	GL	So Suburban P&DC	Bedford Park	IL
20 GL	Muncie P&DF	Muncie	IN	GL	So Suburban P&DC	Bedford Park	IL
21 GL	South Bend P&DC	South Bend	IN	GL	Indianapolis P&DC	Indianapolis	IN
22 WA	Salina KS P&DF	Salina	KS	GL	Indianapolis P&DC	Indianapolis	IN
23 EA	Campton CSMPC	Campton	KY	GL	Indianapolis P&DC	Indianapolis	IN
24 EA	Lexington P&DC	Lexington	KY	GL	Fort Wayne P&DC	Fort Wayne	IN
				WA	Wichita P&DC	Wichita	KS
				EA	Louisville P&DC	Louisville	KY
				EA	Louisville P&DC	Louisville	KY
				EA	Knoxville TN P&DC	Knoxville	TN

Consolidation Facility				Gaining Facility(ies)			
Area	Facility	City	State	Area	Gaining Site	City	State
25 EA	Paducah P&DF	Paducah	KY	EA	Evansville P&DF	Evansville	IN
26 SA	New Orleans P&DC	New Orleans	LA	SA	Baton Rouge P&DC	Baton Rouge	LA
27 NE	Central Mass P&DC	Shrewsbury	MA	NE NE	Boston P&DC (ftrs only) Middlesex Essex P&DC (ftrs only)	Boston North Reading	MA MA
28 NE	Middlesex Essex P&DC	North Reading	MA	NE	Boston MA P&DC	Boston	MA
29 NE	Northwest Boston P&DF	Waltham	MA	NE NE	Boston P&DC (ftrs only) Middlesex Essex P&DC (ftrs only)	Boston North Reading	MA MA
30 CM	Southern Maryland	Capital Heights	MD	CM	Suburban P&DC	Gaithersburg	MD
31 GL	Iron Mountain P&DF	Kingsford	MI	GL	Green Bay P&DC	Green Bay	WI
32 GL	Kalamazoo P&DC	Kalamazoo	MI	GL	Grand Rapids P&DC	Grand Rapids	MI
33 GL	Lansing P&DC	Lansing	MI	GL GL	Michigan Metroplex Grand Rapids P&DC	Pontiac Grand Rapids	MI MI
34 WA	Bemidji CSMPC	Bemidji	MN	WA	Minneapolis P&DC	Minneapolis	MN
35 WA	Duluth P&DF	Duluth	MN	WA	Saint Paul P&DC	Saint Paul	MN
36 WA	Mankato P&DF	Mankato	MN	WA	Minneapolis P&DC	Minneapolis	MN
37 WA	Saint Cloud P&DF	Walter Park	MN	WA	Minneapolis P&DC	Minneapolis	MN
38 WA	Cape Girardeau P&DF	Cape Girardeau	MO	GL	Saint Louis P&DC	Saint Louis	MO
39 WA	Springfield MO P&DF	Springfield	MO	WA	Kansas City P&DC	Kansas City	MO
40 SA	Grenada CSMPC	Grenada	MS	SA	Jackson P&DC	Jackson	MS
41 SA	Gulfport P&DF	Gulfport	MS	SA	Mobile P&DC	Mobile	AL
42 SA	Hattiesburg CSMPC	Hattiesburg	MS	SA	Mobile P&DC	Mobile	AL
43 CM	Asheville P&DF	Asheville	NC	CM	Greenville P&DC	Greenville	SC
44 CM	Fayetteville NC Annex	Fayetteville	NC	CM	Fayetteville P&DC	Fayetteville	NC
45 CM	Fayetteville P&DC	Fayetteville	NC	CM CM	Charlotte P&DC Raleigh P&DC	Charlotte Raleigh	NC NC
46 CM	Rocky Mount P&DF	Rocky Mount	NC	CM	Raleigh P&DC	Raleigh	NC
47 WA	Minot CSMPC	Minot	ND	WA	Bismarck P&DF	Bismarck	ND
48 WA	Grand Island P&DF	Grand Island	NE	WA	Omaha NE P&DC	Omaha	NE
49 WA	Norfolk NE P&DF	Norfolk	NE	WA	Omaha NE P&DC	Omaha	NE
50 WA	Elko CSMPC	Elko	NV	WA	Salt Lake City P&DC	Salt Lake City	UT
51 NE	Mid-Hudson P&DC	Newburgh	NY	NE	Albany P&DC	Albany	NY
52 NE	Queens P&DC	Flushing	NY	NE	Brooklyn P&DC	Brooklyn	NY
53 EA	Akron P&DC	Akron	OH	EA	Cleveland P&DC	Cleveland	OH
54 EA	Dayton P&DC	Dayton	OH	EA	Columbus P&DC	Columbus	OH
55 EA	Toledo P&DF	Toledo	OH	GL GL EA	MI Metroplex P&DC Detroit P&DC Columbus P&DC	Pontiac Detroit Columbus	MI MI OH
56 EA	Youngstown P&DF	Youngstown	OH	EA	Cleveland P&DC	Cleveland	OH
57 SA	Tulsa P&DC	Tulsa	OK	SA	Oklahoma City P&DC	Oklahoma City	OK
58 WA	Bend CSMPC	Bend	OR	WA	Portland P&DC	Portland	OR
59 WA	Eugene P&DF	Springfield	OR	WA	Portland P&DC	Portland	OR
60 WA	Pendleton CSMPC	Pendleton	OR	WA	Portland P&DC	Portland	OR
61 EA	Erie P&DF	Erie	PA	EA EA	Pittsburgh P&DC Rochester P&DC	Pittsburgh Rochester	PA NY
62 EA	Lancaster P&DF	Lancaster	PA	EA	Harrisburg P&DC	Harrisburg	PA

Consolidation Facility				Gaining Facility(ies)			
Area	Facility	City	State	Area	Gaining Site	City	State
63 EA	Scranton PA P&DF	Scranton	PA	EA	Lehigh Valley PA P&DC	Lehigh Valley	PA
64 CM	Florence P&DF	Florence	SC	CM	Columbia P&DC	Columbia	SC
65 WA	Dakota Central P&DF	Huron	SD	WA	Sioux Falls P&DC	Sioux Falls	SD
66 EA	Chattanooga P&DC	Chattanooga	TN	EA	Nashville P&DC	Nashville	TN
				CM	Atlanta P&DC	Atlanta	GA
67 EA	Jet Cove Annex	Memphis	TN	EA	Memphis TN P&DC	Memphis	TN
68 SA	Ablene CSMPC	Ablene	TX	SA	Austin P&DC	Austin	TX
				SA	Midland P&DF	Midland	TX
69 SA	Corpus Christi P&DC	Corpus Christi	TX	SA	San Antonio P&DC	San Antonio	TX
70 WA	Provo CSMPC	Provo	UT	WA	Salt Lake City P&DC	Salt Lake City	UT
				WA	Grand Junction CSMPC	Grand Junction	CO
				WA	Las Vegas P&DC	Las Vegas	NV
71 CM	Norfolk P&DC	Norfolk	VA	CM	Richmond P&DC	Sandston	VA
72 EA	Roanoke P&DC	Roanoke	VA	CM	Greensboro P&DC	Greensboro	NC
73 WA	Seattle WA East DDC	Redmond	WA	WA	Seattle P&DC	Seattle	WA
74 WA	Tacoma P&DC	Tacoma	WA	WA	Seattle P&DC	Seattle	WA
75 WA	Wenatchee CSMPC	Wenatchee	WA	WA	Spokane P&DC	Spokane	WA
76 WA	Eau Claire P&DF	Eau Claire	WI	WA	Saint Paul P&DC	Saint Paul	MN
77 WA	La Crosse P&DF	La Crosse	WI	WA	Saint Paul P&DC	Saint Paul	MN
78 GL	Madison P&DF	Madison	WI	GL	Milwaukee P&DC	Milwaukee	WI
79 GL	Wausau P&DF	Rothschild	WI	GL	Green Bay P&DC	Green Bay	WI
80 WA	Rock Springs CSMPC	Rock Springs	WY	WA	Salt Lake City P&DC	Salt Lake City	UT