

DELIVERING for AMERICA

Letter carriers' involvement with USPS's 10-year plan

On March 23, 2021, the Postal Service announced its long-term strategic plan to stabilize mail delivery. This plan, called the Delivering for America Plan, involves the reorganization of the Postal Service's processing, transportation and delivery networks. Under the plan, USPS intends to reverse an estimated \$160 billion loss over the next 10 years.

To accomplish this, the Postal Service has listed five objectives to meet to realize these cost savings. The first objective is to modernize the Postal Service and make it capable of providing world-class service at affordable prices. The second objective is to maintain universal six-day mail delivery and expand seven-day package delivery. The third is to stabilize

the workforce and invest in strategies to empower employees and put them in a position to succeed. The fourth is to grow revenue through innovation and meet the changing needs of the marketplace. The last piece of the plan is to become financially stable so that the universal service mandate is met.

USPS leadership has highlighted the realizations of goals from the first two years of the plan, many that couldn't have been done without letter carrier involvement. The largest accomplishment came from the Postal Reform Act that became law last year, reducing the red ink caused by the mandate to pre-fund retiree health benefits decades into the future.

Additionally, USPS instituted an executive leadership team reorganization. And it's in the process of updating and electrifying the postal delivery fleet.

USPS also is modernizing its delivery and processing network. It has dedicated \$7.6 billion to build a modernized postal network, which is one of the areas where letter carriers already are seeing the biggest changes.

Part of this plan includes the creation of large delivery units called Sorting and Delivery Centers (S&DCs) across the country. The establishment of these S&DCs involves moving city letter carriers and their assignments to larger facilities, most of them located in former processing plants. Initially, the Postal Service selects markets where there is thought to be potential growth in package delivery.

Under the plan, USPS intends to use three strategies regarding the parcel delivery market. One is to expand local

The Athens, GA, Sorting & Delivery Center (S&DC)





access for same and next-day delivery. Another is to improve ground delivery in one- and two-day package delivery. The third is to move First-Class package delivery to an expanded ground network to help reduce the reliance on air transportation. Overall, the Postal Service maintains that reducing the number of steps between collection and delivery from the current number of 11 down to five will help grow parcel volume.

When the S&DCs are created, the Postal Service remodels the buildings so that each facility is structured the same as the others. Letter carriers working in the S&DCs will see renovations that include remodeled bathrooms with new fixtures, new water fountains that include bottle fillers, and remodeled break rooms with ice machines. Each S&DC also receives new carrier cases, which are blue instead of the traditional green case. All of the S&DCs also are equipped with a package-sorting machine called a Small Delivery Unit Sorter (SDUS), which can sort parcels by carrier route.

Whenever full-time letter carrier assignments and letter carriers are moved from one office or installation to another, the contractual provisions covering the movement depend on the circumstances. There are three scenarios in which letter carriers and assignments are moved when an S&DC is established.

The first occurs when all of the assignments in the city letter carrier craft are moved from an independent, or losing, installation to the S&DC. The retail and P.O. box operations remain under a postmaster in the losing installation. This means that the losing in-

stallation is not being discontinued or consolidated under this process, since it remains an independent installation, which is separate from the S&DC.

The second one involves a delivery unit being moved from the jurisdiction of an independent installation to the S&DC. This can happen only when the office being moved is part of an installation with multiple delivery units. Under this scenario, the other delivery units within the original installation remain and do not move.

Under the first two circumstances, the provisions of Article 12 of the National Agreement apply and must be followed. These provisions cover the movement of city letter carrier assignments and/or city letter carriers from one installation to the jurisdiction of another. Which section of Article 12 governs the movement depends on what happens in the losing installation.

If the losing installation is being discontinued, meaning that no USPS operations will remain in the building, then the provisions of Article 12, Section 5.C.1 would apply. As described above under the first scenario, only the delivery routes are being moved into the S&DC, while other operations will remain. This means that in most circumstances, Article 12, Section 5.C.1 would not apply. However, if the Postal Service decided to end operations in the original installation, this section would be used to move the letter carriers and the assignments.

If the losing installation is being consolidated, meaning that the office will become part of another installation, then Article 12, Section 5.C.2 applies.

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A new blue letter carrier case

When this happens, the routes could either remain in their current location or move to a different office within the gaining installation. Under the S&DC model, the losing installations are remaining independent from the S&DC and not becoming a part of a different installation. Again, this section of Article 12 would apply only in circumstances where USPS decides to consolidate the losing installation with the S&DC. If this happens, the losing installation would no longer be an independent installation with its own postmaster.

The provisions of Article 12, Section 5.C.3 cover circumstances where a delivery unit is moved from the jurisdiction of one installation into the S&DC. This is the section of Article 12 that has been used so far in the establishment of the current S&DCs. When this happens, the full-time letter carriers have the option of either moving to the S&DC with their assignment or vacating the assignment and remaining in the original installation. If a letter carrier decides to remain on their assignment, they would be moved into the S&DC without the loss of their seniority. Letter carriers who voluntarily move to the S&DC would no longer be part of the losing installation, so they would not have the right to bid on assignments that become vacant in the original installation after the movement to the S&DC.

Assignments that become vacant due to letter carriers selecting to remain in the original installation are then posted for bid. Only those full-time letter carriers assigned to the losing installation are eligible to bid on the vacant assignments moving to the S&DC. Letter carriers already assigned to the S&DC, or those moving from other installations, do not have the right to bid on these vacancies. If no one bids on the vacant assignments

and they become residual vacancies, full-time letter carriers in the losing installation could be involuntarily reassigned, or excessed, to the S&DC to fill those vacancies. If it becomes necessary to excess letter carriers to fill the vacancies, this is done by involuntarily reassigning a sufficient number of full-time letter carriers to fill the residual assignments. Excessing is done by juniority, even if this means removing a full-time letter carrier from their bid assignment and excessing them to the S&DC.

The only exception to this rule involves those letter carriers serving as shop stewards. In accordance with Article 17, Section 3, letter carriers serving as shop stewards may not be involuntarily reassigned. If the shop steward would have been the employee to be excessed based on juniority, he or she would be bypassed, and the next senior full-time letter carrier would instead be involuntarily reassigned. If the shop steward is the only full-time letter carrier who could be excessed, then the steward would be the person who is involuntarily reassigned to the S&DC.

Letter carriers who are excessed have the right to return to the losing installation once a residual vacancy occurs. This right, known as a voluntary retreat right, is offered to all of the letter carriers excessed from the losing installation to the S&DC. If more than one letter carrier was excessed, retreat rights are offered by seniority. These retreat rights are active until a letter carrier turns down the opportunity to return to a residual vacancy in the losing installation, with one exception: If a letter carrier was occupying a carrier technician assignment prior to being excessed, they can turn down the right to retreat to a city carrier assignment. They would lose their retreat rights only if they turned down the opportunity to return to

the original installation to fill a residual carrier technician assignment.

Letter carriers who decide to vacate their assignments and remain in the losing installation would become unassigned full-time regular letter carriers who could then bid on vacant assignments within the original installation or be assigned to residual vacancies under the provisions of Article 41, Section 1.A.7. If a letter carrier who vacated their assignment to remain in the losing installation is one of the junior full-time employees in the original installation, they could be excessed to the S&DC under the rules described above.

Letter carriers who are part of delivery units being moved from the jurisdiction of one installation into an S&DC under the provisions of Article 12, Section 5.C.3 should be aware of two things: If they decide to move to the S&DC, the only way they could return to the losing installation would be to request a voluntary transfer or mutual exchange. Letter carriers who are moved into the S&DC on an involuntary basis would have retreat rights back to the original installation if residual assignments become available.

In addition to Article 12, the National Agreement contains various memorandums of understanding (MOUs) related to Delivery Unit Optimization (DUO). Under the DUO process, all city letter carrier assignments were moved from a losing to a gaining installation. Under DUO, the losing installation remains independent.

While the movement of assignments under DUO is identical to the transfer of jobs into an S&DC, the DUO agreements did not address issues such as city carrier assistant relative standing or a process to evaluate routes both



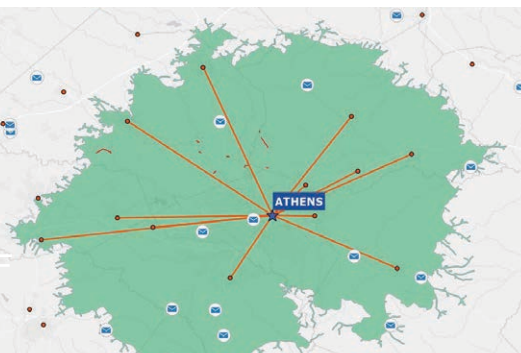
A Small Delivery Unit Sorter (SDUS)

before and after the movement of the assignments. Because of this, NALC and USPS negotiated two new agreements to address these concerns when assignments are moved into an S&DC. The first agreement, MOU Re: Movement of City Letter Carrier Assignments from an Independent Installation to a Sorting and Delivery Center (M-01990), outlines the process for moving the assignments while dealing with the issues left out of the DUO agreements. The second one, MOU Re: Local Memorandum(s) of Understanding due to the Establishment of a Sorting and Delivery Center (M-01991) outlines the process for addressing the local memorandum of understanding (LMOU) from each of the installations involved in the establishment of an S&DC. Copies of both documents are available in the Materials Reference System (MRS) on the NALC website at nalc.org/mrs.

The third scenario under which an S&DC could be implemented involves the Postal Service combining delivery units within an installation into one building. Under these circumstances, neither Article 12 nor the S&DC agreements govern the movement of assignments and letter carriers. Since the letter carriers were already assigned to the installation, there are no changes to seniority or bid assignments. There also are no changes to the LMOU, since these agreements cover the entire installation. Any provisions in the LMOU that identify specific sections, such as the administration of the overtime desired list, remain in effect until a new LMOU is negotiated following the ratification of a new national agreement.

Currently, 11 S&DCs are in operation around the country. The first facil-

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A map from a USPS concept looking at offices that could be consolidated into the Athens, GA, S&DC

ity, located in Athens, GA, opened in November of last year. Though there are city carrier assignments in Athens, only rural carrier routes were moved into the S&DC. The city carriers working in Athens were all working in this building before the S&DC was implemented.

On Feb. 25, five additional S&DCs began operation in Gainesville, FL; Panama City, FL; Bryan, TX; Utica, NY; and Woburn, MA. When these S&DCs were established, there were a variety of methods used to move the letter carriers and assignments. In Gainesville, the only city carriers moved were already working in the Gainesville installation. In Panama City, some letter carriers were moved within the installation and an entire separate installation—Lynn Haven, FL—was moved into the S&DC. In Bryan, Utica and Woburn, only letter carriers from other installations were moved into the S&DC.

On June 3, the Postal Service established S&DCs in Pasco, WA; Topeka, KS; Hanover Park, IL; Kokomo, IN; and Annapolis, MD. In Pasco and Kokomo, city carriers from other installations were moved into the S&DCs, so the movement was governed by M-01990 and M-01991. In Topeka and Annapolis, all of the carriers moved into the facility were already assigned to the respective installations. The Hanover Park S&DC was the first circumstance where city carriers were moved under Article 12, Section 5.C.3, when one delivery unit in Elgin, IL, was moved into the facility. Two other facilities were designated as S&DCs on June 3, one in Williamsport, PA, and one in Owensboro, KY. Although these facilities were designated as S&DCs, no letter carriers were moved into these facilities, because the Postal Service determined that it was not fiscally advantageous to move any installations into these facilities.

On Sept. 9, 2023, USPS plans to establish S&DCs in Waco, TX; Atlanta, GA; Palo Alto and Chula Vista, CA; Terre Haute, IN; and Huntington Station and Mid-Hudson, NY. In Atlanta, the Postal Service will create two S&DCs and, in both cases, all of the letter carriers being moved into the facilities already work in the Atlanta installation. The same is true for the Waco and Terre Haute S&DCs, where no letter carriers from outside of the installation are being moved in September. In Huntington Station, Mid-Hudson and Chula Vista, only city carriers from outside of the installation are being moved into the respective S&DCs. In Palo Alto, the Encinal Station, which is part of the Sunnyvale, CA, installation, is being moved, so this will be governed by Article 12, Section 5.C.3.

In addition to the S&DC model for mail and package delivery, USPS will be transforming the processing network and creating large-scale centers to sort incoming and outgoing mail. While the impact of these large centers, called Regional Processing and Distribution Centers (RPDCs) and Local Processing Centers (LPCs), will mainly affect employees in the clerk, maintenance and mail handler crafts, letter carriers will begin to see changes in how mail is sorted and transported to delivery units.

NALC continues to meet with the Postal Service on a regular basis regarding the Delivering for America Plan and the progress of its implementation. These discussions include the status of S&DC implementation and the impact on the city letter carrier craft. As more information about the S&DC project becomes available, we will update the membership either on the NALC website or in future *Postal Record* articles. **PR**