

NATIONAL ASSOCIATION OF POSTAL SUPERVISORS

National Headquarters 1727 KING STREET, SUITE 400 ALEXANDRIA, VA 22314-2753 (703) 836-9660

March 6, 2024

Board Memo 035-2024: Notice to Facilities Regarding MPFR Results

Executive Board,

NAPS HQ has been informed of USPS intent to provide notices announcing public meetings to share results and additional feedback based on Mail Processing Facility Reviews (MPFR). The reviews resulted in keeping the facilities listed below open and modernized as Local Processing Centers (LPC).

- Columbia, MO P&DC into St. Louis, MO P&DC
- Lehigh Valley, PA P&DC into Harrisburg, PA P&DC
- Tallahassee, FL P&DC into Jacksonville, FL Network Distribution Center (NDC)
- Wilmington, DE P&DC into Philadelphia, PA RPDC

Thank you, and be safe.

NAPS Headquarters



March 6, 2024

Mr. Ivan Butts President National Association of Postal Supervisors 1727 King Street, Suite 400 Alexandria, VA 22314-2753

Certified Mail Number 9589 0710 5270 0684 7740 65

Dear Ivan:

This is in further reference to the Postal Service's October 18 correspondence (enclosed) regarding its intent to conduct Mail Processing Facility Reviews (MPFR) at four locations:

- Columbia, Missouri (MO)
- Lehigh Valley, Pennsylvania (PA)
- Tallahassee, Florida (FL)
- Wilmington, Delaware (DE)

The reviews were conducted at the following locations to determine whether efficiency and/or service could be improved by consolidating mail processing operations into Regional Processing and Distribution Centers (RPDCs):

- Columbia, MO P&DC to St Louis, MO P&DC
- Lehigh Valley, PA P&DC to Harrisburg, PA P&DC
- Tallahassee, FL P&DC to Jacksonville, FL Network Distribution Center (NDC)
- Wilmington, DE P&DC to Philadelphia, PA P&DC

The results of the facility reviews support keeping the four facilities open and modernized as Local Processing Centers (LPC). The reviews support transferring some mail processing operations.

There will be no career employee layoffs as part of this initiative. All career bargaining unit employee reassignments, as well as any reduction in the number of non-career employees, will be made in accordance with Article 12 of the respective collective bargaining agreement.

Columbia, MO

The improvements for the Columbia facility will result in up to \$4 million in investments for modernization efforts and deferred maintenance. These investments will result in expanded and streamlined package processing and distribution capabilities in the local market and new workplace amenities for USPS employees such as new lighting, as well as renovated bathrooms and breakrooms.

Once changes are implemented, Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be enhanced. It is also anticipated that the Columbia facility will maintain the following destinating operations once converted to the LPC:

- Destinating packages
- Destinating letters and flats
- Manual letters and flats
- Express
- Business Mail Entry Unit (BMEU)

We do expect there will be some impacts to staffing with Originating operations moving to the Saint Louis P&DC. We anticipate this to impact the following career positions at the Columbia P&DC:

- 19 Craft
- 3 Management

Lehigh Valley, PA

The improvements for the Lehigh Valley facility will result in up to \$11 million in investments for modernization efforts and deferred maintenance. These investments will result in expanded and streamlined package processing and distribution capabilities in the local market and new workplace amenities for USPS employees such as new lighting, as well as renovated bathrooms and breakrooms.

Once changes are implemented, Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be enhanced. It is also anticipated that the Lehigh Valley facility will maintain the following destinating operations once converted to the LPC:

- Destinating packages
- Destinating letters and flats
- Manual letters and flats
- Express
- Business Mail Entry Unit (BMEU)

We do expect there will be some impacts to staffing with Originating operations moving to the Harrisburg P&DC. We anticipate this to impact the following career positions at the Lehigh Valley P&DC:

- 25 Craft
- 6 Management

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WASHINGTON, DC 20260-4101
WWW.USPS.COM

Tallahassee, FL

The improvements for the Tallahassee facility will result in up to \$5 million in investments for modernization efforts and deferred maintenance. These investments will result in expanded and streamlined package processing and distribution capabilities in the local market and new workplace amenities for USPS employees such as new lighting, as well as renovated bathrooms and breakrooms.

Once changes are implemented, Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be enhanced. It is also anticipated that the Tallahassee facility will maintain the following destinating operations once converted to the LPC:

- Destinating packages
- Destinating letters and flats
- Manual letters and flats
- Express
- Business Mail Entry Unit (BMEU)

We do expect there will be some impacts to staffing with Originating operations moving to the Jacksonville NDC. We anticipate this to impact the following career positions at the Tallahassee P&DC:

- 3 Craft
- 1 Management

Wilmington, DE

The improvements for the Wilmington facility will result in up to \$9 million in investments for modernization efforts and deferred maintenance. These investments will result in expanded and streamlined package processing and distribution capabilities in the local market and new workplace amenities for USPS employees such as new lighting, as well as renovated bathrooms and breakrooms.

Once changes are implemented, Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be enhanced. It is also anticipated that the Wilmington facility will maintain the following destinating operations once converted to the LPC:

- Destinating packages
- Destinating letters and flats
- Manual letters and flats
- Express
- Business Mail Entry Unit (BMEU)

We do expect there will be some impacts to staffing with Originating operations moving to the Philadelphia P&DC. We anticipate this to impact the following career positions at the Wilmington P&DC:

- 13 Craft
- 6 Management

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Enclosed are stand-up talks that will be provided to employees in each of the affected facilities and press releases that will be announced later today.

Sincerely,

Bruce A. Nicholson

Director

Labor Relations Policies and Programs

Enclosures



October 18, 2023

Mr. Ivan Butts
President
National Association of Postal Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753

Certified Mail Number 7022 3330 0000 9612 7650

Dear Ivan:

This is an informational notice of the Postal Service's intent to conduct Mail Processing Facility Review (MPFR) studies in:

- Columbia, Missouri (MO)
- Lehigh Valley, Pennsylvania (PA)
- Tallahassee, Florida (FL)
- Wilmington, Delaware (DE)

In accordance with Handbook PO-408, *Mail Processing Facility Review*, an MPFR determines the feasibility of changing mail processing operations to improve operational efficiency and/or service. An MPFR involves the consolidation of all originating and/or destinating distribution operations from one or more Post Offices/facilities into other automated processing facilities for the purpose of improving operational efficiency and/or service. The intent is to use Postal Service equipment, facilities, staff work hours and transportation more efficiently.

Specifically, feasibility studies will be conducted at the following facilities to determine whether efficiency and/or service could be improved by consolidating mail processing operations into other mail processing facilities:

- Columbia, MO Processing and Distribution Center (P&DC) into St Louis, MO P&DC
- Lehigh Valley, PA P&DC into Harrisburg, PA P&DC
- Tallahassee, FL P&DC into Jacksonville, FL Network Distribution Center (NDC)
- Wilmington, DE P&DC into Philadelphia, PA P&DC

Enclosed is a Service Talk and Press Release that will be provided to employees in the four facilities that will be studied. Please contact Paulita Wimbush at extension 4042 if you have questions concerning this matter.

Sincerely

Bruce A. Nicholson

Director

Labor Relations Policies and Programs

Enclosures

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POSTAL NEWS

FOR IMMEDIATE RELEASE March 6, 2024

Contact: Paul Smith Paul.f.smith@usps.gov











USPS to Improve Mail Operations at Wilmington Processing Facility

Facility to remain open and modernized as a Local Processing Center to improve mail and package flow through the region

USPS to invest up to \$9 million in facility as part of 10-year Delivering for America plan to modernize the nation's aging postal network

There will be no career employee layoffs

Wilmington, DE — As part of a \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks, the United States Postal Service announced its plan to modernize mail operations at its Wilmington Processing and Distribution Center (P&DC) in Wilmington,

The announcement comes following a thorough business review and solicitation of public feedback on the facility's future. In addition to determining the facility will remain open and modernized as a Local Processing Center, the business case supports transferring mail processing outgoing operations to the Philadelphia P&DC in Philadelphia, PA. Currently, a majority of mail and packages are destined outside the Wilmington area to the rest of the world.

The investment in the Wilmington facility is a part of the Postal Service's 10-year Delivering for America (DFA) plan to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider.

The improvements for the Wilmington facility will result in up to \$9 million in investments for modernization efforts and deferred maintenance. These investments will result in expanded and streamlined package processing and distribution capabilities in the local market and new workplace amenities for USPS employees such as new lighting, as well as renovated bathrooms and breakrooms.

The future Wilmington LPC and Philadelphia P&DC will be critical nodes in our network transformation plan. As part of this work, our goal is to reach 95% on-time delivery for all mail products.

The Postal Service also announced there will be no career layoffs as part of this initiative. All career bargaining unit reassignments, as well as any reduction in any number of pre-career employees, will be made in accordance with respective collective bargaining agreements.

Once changes are implemented, Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be enhanced. After the Wilmington facility is converted to an LPC, it is anticipated that it will continue to process destinating packages, letters and flats. The LPC is also expected to continue to offer express services and business mail entry.

Please Note: The United States Postal Service is an independent federal establishment, mandated to be self-financing and to serve every American community through the affordable, reliable and secure delivery of mail and packages to 167 million addresses six and often seven days a week. Overseen by a bipartisan Board of Governors, the Postal Service is implementing a 10-year transformation plan, *Delivering for America*, to modernize the postal network, restore long-term financial sustainability, dramatically improve service across all mail and shipping categories, and maintain the organization as one of America's most valued and trusted brands.

The Postal Service generally receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations.

STAND-UP TALK DECISION TO PROCEED ON WILMINGTON P&DC MAIL PROCESSING FACILITY REVIEW

On October 18, 2023, we notified you that we were beginning a Mail Processing Facility Review (MPFR) at the Wilmington Processing and Distribution Center (P&DC) in Wilmington, DE to see if it would make sense to transfer some mail operations into the Philadelphia P&DC in Philadelphia, PA.

The results of the facility review support keeping the Wilmington facility open and modernized as a Local Processing Center (LPC). Additionally, the business case supports transferring mail processing outgoing operations to the Philadelphia P&DC. Currently, a majority of mail and packages are destined outside the Wilmington area to the rest of the world.

This effort is a part of the Postal Service's 10-year Delivering for America (DFA) plan to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations in Wilmington will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

The improvements for the Wilmington facility will result in up to \$9 million in investments for modernization efforts and deferred maintenance. These investments will result in expanded and streamlined package processing and distribution capabilities in the local market and new workplace amenities for USPS employees such as new lighting, as well as renovated bathrooms and breakrooms.

Once changes are implemented, Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be enhanced. It is also anticipated that the Wilmington facility will maintain the following destinating operations once converted to the LPC:

- Destinating packages
- Destinating letters and flats
- Manual letters and flats
- Express
- Business Mail Entry Unit (BMEU)

There will be no career employee layoffs as part of this initiative. All career bargaining unit reassignments, as well as any reduction in any number of pre-career employees, will be made in accordance with Article 12 of the respective collective bargaining agreements.

We do expect there will be some impacts to staffing with Originating operations moving to the Philadelphia P&DC. We anticipate this to impact the following career positions at the Wilmington P&DC:

- 13 Craft
- 6 Management

Once again, we want to emphasize that there will be no career employee layoffs as part of this initiative.

The future Wilmington LPC and Philadelphia P&DC will be critical nodes in our network transformation plan. As part of this work, our goal is to reach 95% on-time delivery for all mail products.





FOR IMMEDIATE RELEASE March 6, 2024

Contact: Tara Jarrett tara.l.jarrett@usps.gov











USPS to Improve Mail Operations at Columbia Processing Facility

Facility to remain open and modernized as a Local Processing Center to improve mail and package flow through the region

USPS to invest up to \$4 million in facility as part of 10-year Delivering for America plan to modernize the nation's aging postal network

There will be no career employee layoffs

Columbia, MO — As part of a \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks, the United States Postal Service announced its plan to modernize mail operations at its Columbia Processing and Distribution Center (P&DC) in Columbia, MO.

The announcement comes following a thorough business review and solicitation of public feedback on the facility's future. In addition to determining the facility will remain open and modernized as a Local Processing Center, the business case supports transferring mail processing outgoing operations to the Saint Louis P&DC in Saint Louis, MO. Currently, a majority of mail and packages are destined outside the Columbia area to the rest of the world.

The investment in the Columbia facility is a part of the Postal Service's 10-year Delivering for America (DFA) plan to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider.

The improvements for the Columbia facility will result in up to \$4 million in investments for modernization efforts and deferred maintenance. These investments will result in expanded and streamlined package processing and distribution capabilities in the local market and new workplace amenities for USPS employees such as new lighting, as well as renovated bathrooms and breakrooms.

The future Columbia LPC and the Saint Louis P&DC will be critical nodes in our network transformation plan. As part of this work, our goal is to reach 95% on-time delivery for all mail products.

The Postal Service also announced there will be no career layoffs as part of this initiative. All career bargaining unit reassignments, as well as any reduction in any number of pre-career employees, will be made in accordance with respective collective bargaining agreements.

Once changes are implemented, Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be enhanced. After the Columbia facility is converted to an LPC, it is anticipated that it will continue to process destinating packages, letters and flats. The LPC is also expected to continue to offer express services and business mail entry.

Please Note: The United States Postal Service is an independent federal establishment, mandated to be self-financing and to serve every American community through the affordable, reliable and secure delivery of mail and packages to 167 million addresses six and often seven days a week. Overseen by a bipartisan Board of Governors, the Postal Service is implementing a 10-year transformation plan, *Delivering for America*, to modernize the postal network, restore long-term financial sustainability, dramatically improve service across all mail and shipping categories, and maintain the organization as one of America's most valued and trusted brands.

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STAND-UP TALK DECISION TO PROCEED ON COLUMBIA P&DC MAIL PROCESSING FACILITY REVIEW

On October 18, 2023, we notified you that we were beginning a Mail Processing Facility Review (MPFR) at the Columbia Processing and Distribution Center (P&DC) in Columbia, MO to see if it would make sense to transfer some mail operations into the Saint Louis P&DC in Saint Louis, MO.

The results of the facility review support keeping the Columbia facility open and modernized as a Local Processing Center (LPC). Additionally, the business case supports transferring mail processing outgoing operations to the Saint Louis P&DC. Currently, a majority of mail and packages are destined outside the Columbia area to the rest of the world.

This effort is a part of the Postal Service's 10-year Delivering for America (DFA) plan to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations in Columbia will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

The improvements for the Columbia facility will result in up to \$4 million in investments for modernization efforts and deferred maintenance. These investments will result in expanded and streamlined package processing and distribution capabilities in the local market and new workplace amenities for USPS employees such as new lighting, as well as renovated bathrooms and breakrooms.

Once changes are implemented, Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be enhanced. It is also anticipated that the Columbia facility will maintain the following destinating operations once converted to the LPC:

- Destinating packages
- Destinating letters and flats
- Manual letters and flats
- Express
- Business Mail Entry Unit (BMEU)

There will be no career employee layoffs as part of this initiative. All career bargaining unit reassignments, as well as any reduction in any number of pre-career employees, will be made in accordance with Article 12 of the respective collective bargaining agreements.

We do expect there will be some impacts to staffing with Originating operations moving to the Saint Louis P&DC. We anticipate this to impact the following career positions at the Columbia P&DC:

- 19 Craft
- 3 Management

Once again, we want to emphasize that there will be no career employee layoffs as part of this initiative.

The future Columbia LPC and the Saint Louis P&DC will be critical nodes in our network transformation plan. As part of this work, our goal is to reach 95% on-time delivery for all mail products.



POSTAL NEWS

FOR IMMEDIATE RELEASE March 6, 2024

Contact: Mark Lawrence mark.e.lawrence@usps.gov











USPS to Improve Mail Operations at Lehigh Valley Processing Facility

Facility to remain open and modernized as a Local Processing Center to improve mail and package flow through the region

USPS to invest up to \$11 million in facility as part of 10-year Delivering for America plan to modernize the nation's aging postal network

There will be no career employee layoffs

Lehigh Valley, PA — As part of a \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks, the United States Postal Service announced its plan to modernize mail operations at its Lehigh Valley Processing and Distribution Center (P&DC) in Lehigh Valley, PA.

The announcement comes following a thorough business review and solicitation of public feedback on the facility's future. In addition to determining the facility will remain open and modernized as a Local Processing Center, the business case supports transferring mail processing outgoing operations to the Harrisburg P&DC in Harrisburg, PA. Currently, a majority of mail and packages are destined outside the Lehigh Valley area to the rest of the world.

The investment in the Lehigh Valley facility is a part of the Postal Service's 10-year Delivering for America (DFA) plan to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider.

The improvements for the Lehigh Valley facility will result in up to \$11 million in investments for modernization efforts and deferred maintenance. These investments will result in expanded and streamlined package processing and distribution capabilities in the local market and new workplace amenities for USPS employees such as new lighting, as well as renovated bathrooms and breakrooms.

The future Lehigh Valley LPC and the Harrisburg P&DC will be critical nodes in our network transformation plan. As part of this work, our goal is to reach 95% on-time delivery for all mail products.

The Postal Service also announced there will be no career layoffs as part of this initiative. All career bargaining unit reassignments, as well as any reduction in any number of pre-career employees, will be made in accordance with respective collective bargaining agreements.

Once changes are implemented, Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be enhanced. After the Lehigh Valley facility is converted to an LPC, it is anticipated that it will continue to process destinating packages, letters and flats. The LPC is also expected to continue to offer express services and business mail entry.

Please Note: The United States Postal Service is an independent federal establishment, mandated to be self-financing and to serve every American community through the affordable, reliable and secure delivery of mail and packages to 167 million addresses six and often seven days a week. Overseen by a bipartisan Board of Governors, the Postal Service is implementing a 10-year transformation plan, <u>Delivering for America</u>, to modernize the postal network, restore long-term financial sustainability, dramatically improve service across all mail and shipping categories, and maintain the organization as one of America's most valued and trusted brands

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STAND-UP TALK DECISION TO PROCEED ON LEHIGH VALLEY P&DC MAIL PROCESSING FACILITY REVIEW

On October 18, 2023, we notified you that we were beginning a Mail Processing Facility Review (MPFR) at the Lehigh Valley Processing and Distribution Center (P&DC) in Lehigh Valley, PA to see if it would make sense to transfer some mail operations into the Harrisburg P&DC in Harrisburg, PA.

The results of the facility review support keeping the Lehigh Valley facility open and modernized as a Local Processing Center (LPC). Additionally, the business case supports transferring mail processing outgoing operations to the Harrisburg P&DC. Currently, a majority of mail and packages are destined outside the Lehigh Valley area to the rest of the world.

This effort is a part of the Postal Service's 10-year Delivering for America (DFA) plan to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations in Lehigh Valley will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

The improvements for the Lehigh Valley facility will result in up to \$11 million in investments for modernization efforts and deferred maintenance. These investments will result in expanded and streamlined package processing and distribution capabilities in the local market and new workplace amenities for USPS employees such as new lighting, as well as renovated bathrooms and breakrooms.

Once changes are implemented, Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be enhanced. It is also anticipated that the Lehigh Valley facility will maintain the following destinating operations once converted to the LPC:

- Destinating packages
- Destinating letters and flats
- Manual letters and flats
- Express
- Business Mail Entry Unit (BMEU)

There will be no career employee layoffs as part of this initiative. All career bargaining unit reassignments, as well as any reduction in any number of pre-career employees, will be made in accordance with Article 12 of the respective collective bargaining agreements.

We do expect there will be some impacts to staffing with Originating operations moving to the Harrisburg P&DC. We anticipate this to impact the following career positions at the Lehigh Valley P&DC:

- 25 Craft
- 6 Management

Once again, we want to emphasize that there will be no career employee layoffs as part of this initiative.

The future Lehigh Valley LPC and the Harrisburg P&DC will be critical nodes in our network transformation plan. As part of this work, our goal is to reach 95% on-time delivery for all mail products.



POSTAL NEWS

FOR IMMEDIATE RELEASE March 6, 2024

Contact: Carol Hunt carol.l.hunt@usps.gov











USPS to Improve Mail Operations at Tallahassee Processing Facility

Facility to remain open and modernized as a Local Processing Center to improve mail and package flow through the region

USPS to invest up to \$5 million in facility as part of 10-year Delivering for America plan to modernize the nation's aging postal network

There will be no career employee layoffs

Tallahassee, FL — As part of a \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks, the United States Postal Service announced its plan to modernize mail operations at its Tallahassee Processing and Distribution Center (P&DC) in Tallahassee, FL.

The announcement comes following a thorough business review and solicitation of public feedback on the facility's future. In addition to determining the facility will remain open and modernized as a Local Processing Center, the business case supports transferring mail processing outgoing operations to the Jacksonville Network Distribution Center (NDC) in Jacksonville, FL. Currently, a majority of mail and packages are destined outside the Tallahassee area to the rest of the world.

The investment in the Tallahassee facility is a part of the Postal Service's 10-year Delivering for America (DFA) plan to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider.

The improvements for the Tallahassee facility will result in up to \$5 million in investments for modernization efforts and deferred maintenance. These investments will result in expanded and streamlined package processing and distribution capabilities in the local market and new workplace amenities for USPS employees such as new lighting, as well as renovated bathrooms and breakrooms.

The future Tallahassee LPC and Jacksonville NDC will be critical nodes in our network transformation plan. As part of this work, our goal is to reach 95% on-time delivery for all mail products.

The Postal Service also announced there will be no career layoffs as part of this initiative. All career bargaining unit reassignments, as well as any reduction in any number of pre-career employees, will be made in accordance with respective collective bargaining agreements.

Once changes are implemented, Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be enhanced. After the Tallahassee facility is converted to an LPC, it is anticipated that it will continue to process destinating packages, letters and flats. The LPC is also expected to continue to offer express services and business mail entry.

Please Note: The United States Postal Service is an independent federal establishment, mandated to be self-financing and to serve every American community through the affordable, reliable and secure delivery of mail and packages to 167 million addresses six and often seven days a week. Overseen by a bipartisan Board of Governors, the Postal Service is implementing a 10-year transformation plan, <u>Delivering for America</u>, to modernize the postal network, restore long-term financial sustainability, dramatically improve service across all mail and shipping categories, and maintain the organization as one of America's most valued and trusted brands

The Postal Service generally receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations.

STAND-UP TALK DECISION TO PROCEED ON TALLAHASSEE P&DC MAIL PROCESSING FACILITY REVIEW

On October 18, 2023, we notified you that we were beginning a Mail Processing Facility Review (MPFR) at the Tallahassee Processing and Distribution Center (P&DC) in Tallahassee, FL to see if it would make sense to transfer some mail operations into the Jacksonville Network Distribution Center (NDC) in Jacksonville, FL.

The results of the facility review support keeping the Tallahassee facility open and modernized as a Local Processing Center (LPC). Additionally, the business case supports transferring mail processing outgoing operations to the Jacksonville NDC. Currently, a majority of mail and packages are destined outside the Tallahassee area to the rest of the world.

This effort is a part of the Postal Service's 10-year Delivering for America (DFA) plan to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations in Tallahassee will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

The improvements for the Tallahassee facility will result in up to \$5 million in investments for modernization efforts and deferred maintenance. These investments will result in expanded and streamlined package processing and distribution capabilities in the local market and new workplace amenities for USPS employees such as new lighting, as well as renovated bathrooms and breakrooms.

Once changes are implemented, Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be enhanced. It is also anticipated that the Tallahassee facility will maintain the following destinating operations once converted to the LPC:

- Destinating packages
- Destinating letters and flats
- Manual letters and flats
- Express
- Business Mail Entry Unit (BMEU)

There will be no career employee layoffs as part of this initiative. All career bargaining unit reassignments, as well as any reduction in any number of pre-career employees, will be made in accordance with Article 12 of the respective collective bargaining agreements.

We do expect there will be some impacts to staffing with Originating operations moving to the Jacksonville NDC. We anticipate this to impact the following career positions at the Tallahassee P&DC:

- 3 Craft
- 1 Management

Once again, we want to emphasize that there will be no career employee layoffs as part of this initiative.

The future Tallahassee LPC and Jacksonville NDC will be critical nodes in our network transformation plan. As part of this work, our goal is to reach 95% on-time delivery for all mail products.