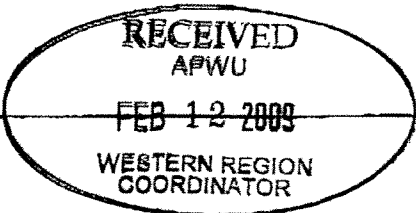


PACIFIC AREA OFFICE
HUMAN RESOURCES



To: Pacific Area Local(s)
 Western Area Local(s)
 So. West Area Local(s)

Withholding Info
 Staffing Issue(s)
 Status Update
 Grievance Administration

 Please review, take action and reduce issues to writing
 Comments

Omar
Omar M. Gonzalez, Coordinator

February 11, 2009

Omar Gonzalez
APWU Western Regional Coordinator
500 Airport Blvd., Ste. 450
Burlingame, CA 94010

This is to advise you of the intent of the Pacific Area to begin to reposition employees out of craft and/or installation in identified impacts in advance of the conclusion of the six months union notification period we have provided in the past.

The basis for this action is the current financial situation. At the same time that operating costs are increasing, workload is decreasing. Nationally, volume was down by more than 9 billion pieces or 4.5% last year and it is projected to drop by another 12 to 15 billion pieces by the end of this year. In 2008, the Postal Service lost 2.8 billion dollars in revenue and we are projected to lose more than 5 billion this year. Additionally, it should be noted that the historic practice of providing up to 6 months notice was based on management initiated impacts requiring repositioning of employees as a result of changes in technology, mechanization or operational processes that were totally within management's control. The current drastic reductions in mail volume are not within management's control and require immediate action to address the enormous loss of revenue.

The contract and the Joint Contract Interpretation Manual state that the union at the Area/Regional level will be given notice, in the form of an Impact/Work Hour Report, whenever technological, mechanization or operational changes impact the bargaining unit no less than 90 days in advance (6 months in advance whenever possible). Given the magnitude of the loss of volume and the current financial state of the Postal Service, it is no longer possible to wait 6 months to reposition the workforce to cover viable vacancies in other crafts and/or installations.

In view of the above, we are targeting to complete all of the employee repositioning tied to the Phase One Impacts no later than the end of April 2009 and employee repositioning tied to the Phase Two Impacts no later than the end of May 2009. A list of the Phase One and Phase Two Impacts is attached for your review. As additional impacts resulting in a need to excess career employees from the craft and/or installation are identified, we will adjust the final placement date based on current conditions.

If you have any questions, please feel free to contact me at (858) 674-3180.

Manuel Botello

Manuel Botello
Manager, Human Resources

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American Postal Workers Union, AFL-CIO

OMAR M. GONZALEZ
Regional Coordinator

Western Region APWU 500 Airport Blvd. Suite 450 Burlingame, CA 94010

February 13, 2009

Mr. Manuel Botello
Manager, Human Resources
11255 Rancho Carmel Drive Room 227 Certified Mail 7002 1000 0004 8117 9398 and Via Fax
San Diego, CA 92197

This responds to your February 11, 2009 letter received on the 12th on repositioning employees prior to the required six (6) month advance notice to the union.

To begin with, your letter clearly reveals in the first paragraph the six month advance notice is a binding past practice. This past practice implements contract provisions that can only be changed through bargaining. No such bargaining has taken place.

Be that as it may, you indicate a national volume and financial picture but fail to reveal the Pacific Area's statistics. In addition, what you describe is not an unforeseen circumstance or combination of circumstances. Recent revelations indicate the PMG was well aware of the position of the Postal Service before the PAEA was established. While you as the Employer have exclusive rights those rights are not absolute.

Your use of the wording "operational processes" differs from the requirement outlined in the CBA/JCIM which is "operational changes." While you contend that the current drastic reductions in mail volume are not within management's control I beg to differ. The PMG/USPS discounts granted to mailers impact volume that could and should be processed by postal employees and are certainly within the control of management. Similarly contracting out impacts volume and work which is well within the control of management.

You then claim it is ... "no longer possible" to wait 6 months to reposition the workforce to cover viable vacancies in other crafts or installations. The verbiage "if possible" is not permissive and is a requirement. This period provides for meeting(s) at the Regional level. Also if reports or studies result in the reassignment of employees outside the craft or installation that too requires a meeting at the Regional level. Nothing in your letter states or reveals why it is "impossible" for you to comply with the National Agreement.

Part of the advance notice period is intended to involve on going communication with the intent to keep to a minimum dislocation of employees as well as compliance with the withholding process and the examination of local fact circumstances. You mention "viable" vacancies yet the CBA requires placement in "residual vacancies" which are withheld for the placement of impacted employees. The advance period allows for periodic updates. Wholesale accelerated involuntary reassignments will cause havoc not only to employee work life but service as well.

Past practice has shown that the advance notice period, resulting regional labor management meetings during the period have allowed the parties to minimize the impact on employees, ensure service levels and enforcement of minimizing impact provisions of the CBA/JCIM, and the application of the sequential requirements of Article 12.

You provide no information that indicates the PMG has attempted to or has negotiated any so called "workforce flexibility" with the APWU. Nor have you attempted to bargain over the changes to the CBA/JCIM you are now unilaterally implementing. What is more you do not state or declare what advance notice to the regional union will be provided by the Area. Nor do you identify the process for notifying the regional union of additional impacts that are identified or how you will adjust final placement dates or what you mean by current conditions. To add insult to injury there were no Phase One or Two impact listings attached to your letter.

While I contend your unilateral actions appear to be a violation of labor law and past practice I am requesting the identification of the person to which I am to send an Area Level Appeal since you are changing established practices that implement the CBA.


Omar M. Gonzalez