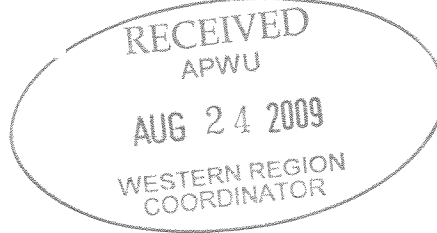


MIKE THOMAS  
 MANAGER LABOR RELATIONS  
 PACIFIC AREA



August 12, 2009



Manuel Peralta  
 NALC National Business Agent  
 13252 Garden Grove Blvd., Ste 108  
 Garden Grove, CA 92843-2204

Dear Mr. Peralta:

This is to advise you of the intent of the Los Angeles Performance Cluster to utilize the provisions of Article 12.5.C.5 to involuntarily reassign up to 315 full-time carriers and 8 part-time flexible carriers from the craft and/or installation at the selected post offices listed below:

Office	FT Impact Number Adj for VER	PTF Impact Number Adj for VER
Redondo Beach	8	
Palos Verdes	8	
Manhattan Beach	1	
Malibu	2	
Inglewood	5	3
Hawthorne	5	
Downey	7	
Beverly Hills	3	1
Venice	1	
South Gate	2	
Santa Monica	11	4
Pacific Palisades	5	
Culver City	1	
Compton	12	
Bell	2	
Los Angeles	242	
Totals	315	8

This action is predicated on the MIARAP impacts.

11255 RANCHO CARMEL DRIVE  
 SAN DIEGO CA 92197-4400  
 858-674-3192  
 FAX: 858-674-3181

TO: Pacific Area Local

DATE: 8-24-09

- For your information
- Please review & take action
- As Requested
- Reduce issues to writing and submit ASAP! If any.

Comments: Note 500 mile radius withholding in clerk & maint craft. Please monitor apwu job availability for apwu impacts. Anticipated carrier impact is 1/4/10

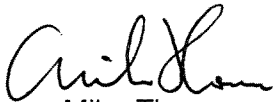
OMAR M. GONZALEZ, COORDINATOR

PS- Their TER should be released first Mgt claims this excessing & withholding is due to MIARAP impact. I have attached pertinent MIARAP info.

The impacted employees will be notified by separate letter of their involuntary reassignments. The final reassignment date would normally be no earlier than February 5, 2010. However, given the continuing loss of workload and the current financial condition of the Postal Service, it may be necessary to reassign some or all of the impacted carriers in advance of that date. Additionally, it may be necessary to detail some or all of the impacted carriers during the 60 day notice period in order to provide a work opportunity. If this becomes necessary, we will advise you.

By copy of this notice, the Pacific Area will withhold up to 315 full-time residual vacancies and 8 part-time flexible opportunities in the clerk, carrier, mail handler and custodial craft in offices and plants within a 500 mile radius of the impacted sites. The impacts have been adjusted for the recent VER. Additional adjustments will be made for attrition at the time of placement if appropriate. A copy of the spreadsheet showing the VER retirement numbers in the impacted offices is attached along with the copies of the automated impact statements and the MIARAP impact calculation worksheet completed by operations. Seniority lists identifying the impacted carriers in each office are also attached.

If you wish to meet on this matter, please contact Carol Hunt at (858) 674-3180 on or before close of business on Thursday, August 20, 2009.



Mike Thomas  
Pacific Area Manager, Labor Relations

Attachments

cc: Area Manager, Operations Support  
Area Manager, Finance  
Area Manager, Human Resources

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April 30, 2009

**Memorandum of Agreement  
Modified Interim Alternate Route Adjustment Process**

This jointly-developed document provides the mutual understanding of the national parties on issues related to the April 7, 2009, Memorandum of Agreement, *Re: Modified Interim Alternate Route Adjustment Process*. It is intended for use by the parties at all levels in properly applying the terms of the Modified Interim Alternate Route Adjustment Process.



Alan S. Moore  
Manager, Labor Relations  
Policy and Programs  
U.S. Postal Service



Fredric V. Rolando  
Executive Vice President  
National Association of  
Letter Carriers, AFL-CIO

**Adjustments**

The teams will be guided by sections 243.21.b, 243.22, & 243.23 of Handbook M-39 when adjusting routes.

A current 3999 will be used by the District Team to determine the street value of territory transferred.

The associated office time for the territory transferred will be jointly determined using any of the methods in the M-39 section 243.316.b.

In any unit where the team determines that the number of routes will be reduced, preference should be given to selecting auxiliary routes, vacant routes, and then routes held by junior carriers, provided such selections are efficient and effective. Additionally, carrier seniority should be considered when excessive route changes are anticipated, provided such consideration does not adversely affect the efficiency or effectiveness of the adjustments.

Handbook M-39

**243.21 Routes of More than 8 Hours**

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*243.21.b. Permanent relief may be provided by reducing carrier office or street time. Consider items such as additional segmentations, use of routers, hand-offs, relocating vehicle parking, withdrawal of mail by clerks or mailhandlers, providing a cart system for accountable items, etc. When routes require a current adjustment and Delivery Point Sequencing will commence within 6 months, management will adjust using non-territorial, non-scheme change adjustments. Where actual transfer of territory is necessary, see 243.23. If a hand-off is the method selected for providing relief on the street, the time value associated with the delivery of the hand-off must be deducted from the route getting relief and transferred to the gaining route.*

**243.22 Route Less than 8 Hours**

*On routes where the evaluated time is less than 8 hours, make permanent additions by transferring territory through a realignment of the territory in the delivery unit. This realignment could reduce or eliminate an existing auxiliary route, reduce a regular route to auxiliary status, or eliminate it entirely.*

**243.23 Transferring Territory**

*243.231 Before transferring territory, determine the objectives of the final route adjustments and consider the following points:*

- a. Implementation of new programs.*
- b. Whether the adjustments should be:
 
  - (1) Entirely within regular routes only.*
  - (2) Transferred from established auxiliary routes to regular routes.*
  - (3) From regular routes to established auxiliary routes.*
  - (4) To establish additional auxiliary routes.**

- (5) To convert auxiliary routes to a regular status.
  - (6) To eliminate auxiliary or regular route.
  - (7) To reduce a regular route to an auxiliary route.
- c. Consider adjustments in terms of sectors and segments to be added to or taken from the route. Adjustments must not result in the splitting of a segment.
- (1) A sector is designated by the sixth and seventh digits of the ZIP+4 Code. It is composed of a maximum of 100 segments.
  - (2) A segment is the smallest unit to which mechanized distribution and carrier route adjustments can be provided. The eighth and ninth digits of the ZIP+4 Code identify the area known as a segment. A segment may be any of the following:
    - (a) Block-face (one side of street between intersections) or block;
    - (b) Cove or cul-de-sac;
    - (c) Hundred-block range which is not intersected by another street;
    - (d) Firm, building, or firm within a multi-firm building;
    - (e) Floor or floors within a building;
    - (f) Cluster box, group of apartment boxes;
    - (g) All or part of a mobile home park.

- 243.232 To determine the territory to be transferred to or from any route, consider that:
- a. Scheme changes should be kept to a minimum and simplified where possible.
  - b. Routes should be compact, avoiding dog-legs and should not cross ZIP Code boundaries except in unusual circumstances.
  - c. Routes should begin and end as near as possible to the delivery unit or transportation.
  - d. Excessive retracing or deadheading should be avoided.
  - e. Adjustments should be made so that future growth may be absorbed by auxiliary routes.
  - f. Variations in territory, mail volume and methods of delivery will affect the final adjustment.

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#### 243.316 Office Time Column

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- b. The character of the route more or less governs the method of computing the office time for the territory being transferred between routes. Following are some methods which may be used:

(1) If the deliveries on the route are similar in character, the following simple formula for determining the amount of office time for the deliveries transferred may be used: Divide the average office time of the inspection period appearing on Form 1840 for the route from which territory is being transferred by the total number of possible deliveries. For example: a route has 400 possible deliveries and the average office time for inspection period was 120 minutes: 120 divided by 400 equals .3 minutes per delivery. The total number of deliveries being considered for transfer should be multiplied by minutes or fraction of minutes per delivery.

(2) Another method to determine the office time percentage factor is to divide the average office time for the count week by the average total time. For example 165 minutes office time divided by 486 minutes total time equals 34 percent. Therefore, the allowance of 34 percent of the total time value of any territory to be added or taken away from a route must be allowed for office time to prepare the mail for delivery.

(3) Another method when utilizing the hand-held computer is to count the mail by ZIP+4 sector/segment so the number of mailpieces delivered in a segment can be calculated to determine the office time allowance for each segment to be transferred between routes. To calculate the office time allowance when transferring particular route segments, any other following three methods may be used.

(a) Apply the current casing standards of 18 (letter size), 8 (other size), and 70 (strap out) to the actual segment(s) mail count from the day of inspection. For example: A segment receives 220 pieces on day of inspection; 180 letters divided by 18 = 10 minutes; 40 other size pieces divided by 8 = 5 minutes; 220 divided by 70 = 4 minutes. The office time allowance for that segment would be 19 minutes.

(b) Follow (a) above but factor in the percentage of standard office time used during the week of inspection from the carrier who serviced that segment(s) in the most recent inspection. For example: The carrier who serviced the segment utilized .80 of standard office time allowed during week of inspection ( $19 \times .80 = 16$  minutes). The office time allowance for that segment would be 16 minutes.

(c) Follow (a) above but factor in the percentage of standard office time used during the week of inspection from the carrier whose route is gaining the segment(s) being transferred. For example: The carrier whose route will pick up the segment utilized .85 of standard office time allowed during the week of inspection ( $19 \times .85 = 17$  minutes). The office time allowance for that segment would be 17 minutes.

**Note:** The effort here is to arrive at the most accurate time allowance for the transferred segment(s), negating the need for corrective adjustments.

### Considerations for Router Adjustments

1. Routes evaluating more than 8 hours can use router as permanent relief.
2. Routes evaluating less than 8 hours, that currently have router time assigned to the route(s);
  - a. consider reducing/eliminating router time to adjust route(s)
  - b. consider territorial adjustments to adjust route(s)
3. Routes evaluating less than 8 hours, that do not currently have without router time assigned to that route/s, must make permanent additions by transferring territory in the delivery unit.
4. The establishment and administration of router positions must be consistent with the November 21, 2001 National Memorandum of Understanding, Re: *Router, Carrier Craft*, and other agreements between the parties regarding routers.

5. Maximization of router positions must comply with the September 21, 1988 Router Assignment Instructions and the April 13, 1989 settlement agreement on case number H4N-5C-C 36660, which states in part:

*Item 3, of the September 21, 1988, Router Assignment Instructions states that "Router positions should be maximized to full-time, 8-hour positions to the extent practicable.*

The parties may consider implementing router adjustments and then reviewing the practical administration of the router assignments during the revisit of the adjustments as a means of addressing certain disputes over the use of routers.

When available, Carrier Optimal Routing (COR) will be jointly used by the District Evaluation and Adjustment Team as a tool for route optimization and adjustment.

### **Carrier Optimal Routing [COR]**

The team's use of COR must be consistent with the applicable provisions of the M-39 Handbook, and their application of the COR process must also comply with the parties national settlement which is reproduced below.

When transferring territory, the back of the PS Form 1840 will indicate by sector segment, any change in street credit from the actual street time used for that sector segment on PS Form 3999, including all relay, travel, allied time, etc. Any such proposed adjustment to the carrier's street time must be documented and explained by appropriate comments on the reverse of PS Form 1840.

For example, territory transferred from Route C002 to Route C004 would be noted, by sector/segment, in the "Relief" Column on the PS Form 1840 Reverse for Route C002. The same territory would be noted, by sector/segment, in the "Addition" Column on the PS Form 1840 Reverse for Route C004. Allied times associated with that territory will also be reviewed to determine if they should be transferred to the gaining route C004, or left on the losing Route C002.

Old relay times from the existing 3999 (recorded as EXR) and new relay times (recorded as ADJ) for the proposed adjustment on each route are identified on the reverse of PS Form 1840 by relay as well as total relay time for the route. The difference between these two total times is noted in the relief or addition column of the PS Form 1840 Reverse. The District Evaluation and Adjustment Team will be provided the relevant reports generated by COR to review the specifics of the proposed changes regarding relays and relay times so that they can jointly make decisions regarding the proposed changes, and then have the necessary documentation for the adjustment consultations regarding any agreed to changes.

The Allied Time Report will be used as a tool to review proposals regarding the transfer of allied time. After the District Evaluation and Adjustment Team jointly decides what is transferred. The report will be used to document any agreed to changes during the adjustment consultations on the PS Form 1840, *Reverse*.

Travel To, Travel From, and Travel Within times must be validated, documented, and

discussed during the carrier consultation. If there is a different credit of time proposed for travel within or travel to and from the route other than what existed as reflected by PS Form 3999, such new time will be validated and a decision made by the District Evaluation and Adjustment Team regarding the proposed change, prior to the second consultation with the letter carrier. It is not necessary that the validation itself be done jointly in order to satisfy the District Evaluation and Adjustment Team.

For example, all Travel To, Travel From, and the total of all Travel Within times from the 3999 (recorded as EXR) are identified on the reverse of the PS Form 1840 and new travel times are identified as an adjustment (recorded as ADJ) on the reverse of PS Form 1840. The difference between these two times will be noted in the relief or addition column on the reverse of PS Form 1840. The District Evaluation and Adjustment Team will be provided all relevant reports generated by COR to review the specifics of the proposed changes regarding travel times so they can jointly make decisions regarding the proposed changes, and then have the necessary documentation for the adjustment consultations regarding any agreed to changes. Any change in travel times from the 3999 due to a proposed new travel pattern must be validated, and then reviewed by the District Evaluation and Adjustment Team so they can jointly make decisions regarding the proposed change. The Route Summary Report will be used as a tool to aid in the validation process.

1. The evaluated office and street times selected by the District Evaluation and Adjustment Teams will be transferred to the top left hand corner of the PS Form 1840 reverse. The initial proposed adjusted office and street times from the COR process will appear on the top right corner of the PS Form 1840 reverse. The difference between these two times must be identified on the 1840 Reverse by sector segment (when applicable) for each route. The difference in these times that must be specifically identified includes items such as proposed changes in relay times, travel times, allied times, delivery times, miscellaneous times, and eliminated/added routes (eliminated/added routes can impact the total time difference due to demonstrated performance, selected street time, and fixed time such as travel to, travel from, loading time, street breaks, etc).
2. The District Evaluation and Adjustment Team will be working with a COR Technician who knows the system. The COR Technician is there to make the necessary inputs and to explain any aspect of the COR program/process that the Team needs to make decisions regarding the proposed adjustments. The COR Technician will conduct such duties at the joint direction of the District and Evaluation Team
3. All decisions regarding the evaluations and adjustments of routes, including deductions and/or changes proposed by COR, or manually, are made jointly by the District Evaluation and Adjustment Team. Any items of disagreement will be identified and documented by the District Evaluation and Adjustment Team and immediately referred to the District Lead Team.

Mr. William H. Young  
President  
National Association of Letter  
Carriers, AFL-CIO  
100 Indiana Avenue, N.W.  
Washington, DC 20001-2144

Re: Q01N-4Q-C 05022605  
Class Action  
Washington DC 20260-4100

Dear Mr. Young:

Recently our representatives met in pre-arbitration discussion of the above-referenced grievance.

After reviewing this matter, the parties agree to the following:

The Carrier Optimal Routing (COR) process is a management tool to assist with the adjustment of letter carrier routes pursuant to Chapter 2 of Handbook M-39. No components of the COR program or application of the COR process will be inconsistent with the route inspection, evaluation, or adjustment process found in Chapter 2 of the M-39 Handbook.

Should the Postal Service develop COR for use in the minor route adjustment process, related components of the COR program or application of the COR process will be consistent with the specific minor route adjustment formula in Section 141.19 of Handbook M-39. Local parties that have established, by mutual agreement, an alternate route adjustment method may also use applications of COR consistent with their alternate route adjustment process.

To facilitate the practical application of this understanding, when transferring territory the back of the PS Form 1840 will indicate, by sector segment, any change in street credit from the actual street time used in sector-segment on PS Form 3999; including all relay, travel, allied time, etc. Any such adjustment to the carrier's actual street time must be documented and explained by appropriate comments on the reverse of PS Form 1840. Additionally, any time adjustment to the base street time, which must be selected pursuant to M-39 Section 242.321, will be documented and explained under the comments section on the reverse of PS Form 1840. Travel To, Travel From, and Travel Within times must be validated, documented, and discussed during carrier consultation. The actual time should be taken from the Inspection PS Form 3999, unless a new pattern is created during the route adjustment process. If a new travel pattern has been created, the new times must be validated.

Notwithstanding any disputes regarding documentation of and/or justification for time adjustments made, the intent of the previous paragraph is for the letter carrier to be made aware of any proposed time adjustment to the carrier's base street time and/or to the street time of the territory being transferred. Time adjustments for territory being transferred will be by sector-segment, including all relay, allied, parcels, accountables, etc. Any time adjustment to a carrier's base street time must comply with the M-39 Section 242.345 through 242.347.

Any grievance held pending a decision on this case will be resolved consistent with the principles of this agreement.

Please sign and return the enclosed copy of this decision as acknowledgment of your agreement to settle this grievance and remove it from the national arbitration docket.

Sincerely,

Doug Tulino  
Vice-President  
Labor Relations  
U.S. Postal Service

William H. Young  
President  
National Association of  
Letter Carriers, AFL-CIO

Date: 7-30-07

**The terms of this settlement became effective September 11, 2007 with ratification of the 2006-2011 National Agreement.**

**Adjustment Consultation**

A copy of the following statement will be provided to the carrier:

*Once the District Evaluation and Adjustment Team has agreed on their proposed adjustments, with or without the use of COR, they must send the completed PS Forms 1840 Reverse to the Local Office Contacts to conduct the adjustment consultations with the carriers. The PS Form 1840 Reverse and any attachments must be provided to each carrier at least 1 day prior to the consultation.*

*Along with all the information regarding the proposed adjustments, the 1840 Reverse must include the District Evaluation and Adjustment Team's reasons for the selection of the evaluated office and street times.*

*Every proposed adjustment must be clearly identified, documented, and explained on the PS 1840 Reverse and attachments so that they can be easily discussed between the Local Office Contacts and the carrier. If any of the proposed changes are unclear to either member of the LOC or the carrier, the District Evaluation and Adjustment Team should be contacted for clarification before continuing the consultation.*

*The comments and recommendations of the carrier and whether there is agreement or disagreement with the proposed adjustments along with the reasons should be entered on the PS Form 1840 Reverse. The carrier is not required to sign the form or any statement. A completed copy of the PS Form 1840 Reverse and any attachments will be provided to the carrier.*

*After reviewing the comments from the carrier consultation, the District Evaluation and Adjustment Team will make any jointly agreed to changes to the proposed adjustments, sign off on their final agreed to adjustments, and submit the package to the District office for implementation. Copies of any amended PS Form 1840, Reverse, will be sent to the appropriate carrier through the Local Office Contacts.*

*Proposed Adjustment Consultation conducted by:*

*USPS (name)  
(signature)*

*NALC (name) \_\_\_\_\_  
(signature) \_\_\_\_\_*

*Date \_\_\_\_\_*

**NOTE:** Under no circumstances will route adjustments be implemented unless both the NALC & USPS District Evaluation and Adjustment Team members have signed off on the adjustments.

This agreement is without prejudice to the position of either party in this or any other matter. The procedures described in this agreement will be utilized solely for the purpose of implementing the Modified Interim Alternate Route Adjustment Process, and may be cited only for purposes of enforcing the terms of the agreement. Termination of this agreement pursuant to the paragraph below shall not affect completion of the Modified Interim Alternate Route Adjustment Process or invalidate any adjustments made as a result of that process.

Either party may terminate this agreement if 1) the Postal Service implements a route adjustment process other than as provided by this agreement, pursuant to Section 271 of Handbook M-39, or by mutual agreement; 2) the Memorandum of Understanding Re: *Assignment of City Delivery* is terminated pursuant to the last paragraph of that MOU; 3) either party fails in good faith to live up to its obligations under the Memorandum of Understanding Re: *Assignment of City Delivery* or 4) the Memorandum of Understanding Re: *Assignment of City Delivery* is invalidated, in whole or in part, by a decision of an arbitrator, a court, the National Labor Relations Board or by any other forum.

In any unit where the Area/Regional Team jointly agrees that this process/methodology cannot be applied, they will jointly contact the National Oversight Team to discuss an alternative joint process to evaluate and adjust the routes.

Any data from route inspections conducted pursuant to Section 271 of Handbook M-39 will be forwarded to the appropriate District Lead Team for assignment to a District Evaluation and Adjustment Team for adjustment during the next analysis and implementation period for that delivery unit provided the time limit/extension provisions of Handbook M-39, Section 211.3, for implementing any necessary adjustments resulting from these inspections is adhered to.