

PRC Docket No. N2006-1

USPS Library Reference N2006-1/13

**Sioux City IA Evolutionary Network Development AMP
Town Hall Meeting PowerPoint Presentation**



Welcome



Agenda

- **Introductions & Meeting Overview**
 - **Reason for feasibility study**
 - **Presentation on Current Process and Proposed Scenario of AMP Feasibility Study**
 - **Addressing public's concerns**
 - **Q&A**
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Meeting Overview

- **Please present questions, comments, concerns during Q&A. State your name and business affiliation (if any) at microphone.**
 - **Questions, comments, concerns will focus on Service, Costs and Customer issues. While we recognize employee concerns, any Labor Relations issues will be addressed internally following the joint national contract.**
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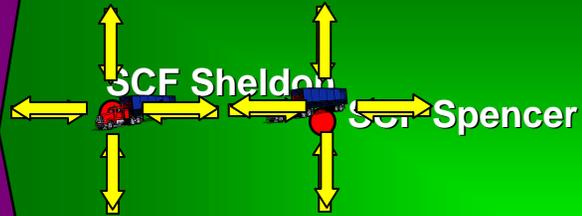


Reason for conducting AMP Feasibility Study

- **USPS is mandated by Congress to provide Universal Service at an affordable cost. Congressional mandate to “break even”.**
- **Transformation Plan and Presidential Commission call for improved service performance.**
- **USPS must meet all expenses from postage revenue. USPS receives no tax subsidy.**
- **Single Piece First Class Mail volume steadily decreasing, resulting in decreasing revenue and excess processing capacity.**
- **Deliveries increasing each year by 1.8 million addresses, resulting in increased cost for infrastructure.**

Existing Outgoing/Incoming Logistics

ADC Sioux Falls



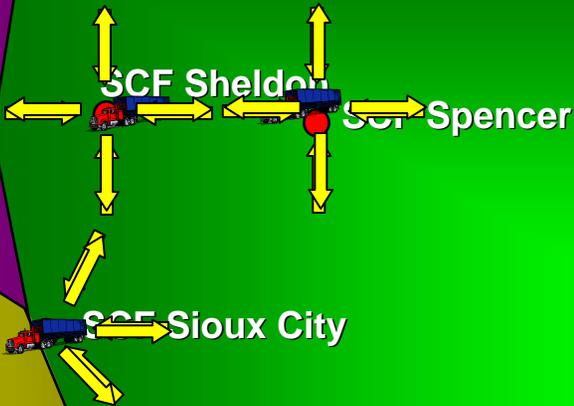
SCF Sioux City

FedEx
ADC Omaha

Feasibility Study: Proposed Outgoing/Incoming Logistics

FedEx

ADC Sioux Falls



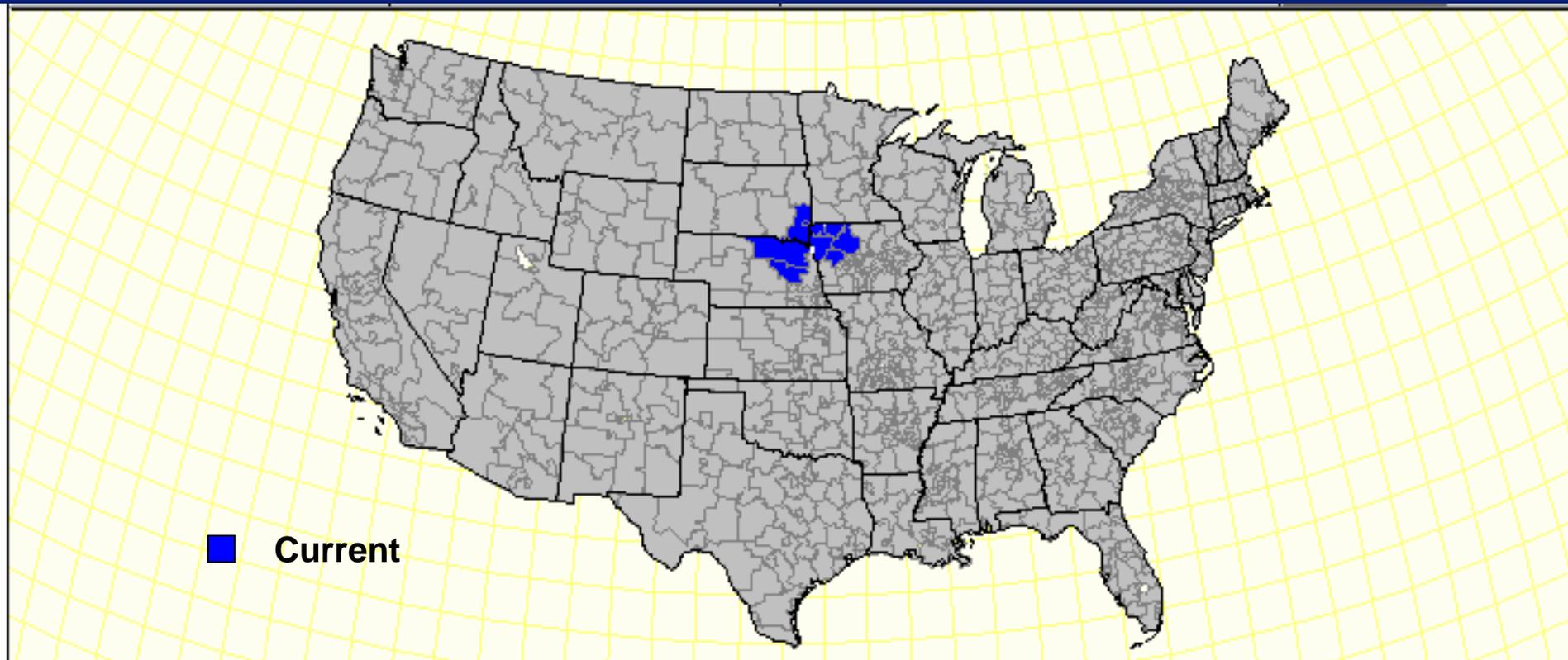
ADC Omaha





Concern:

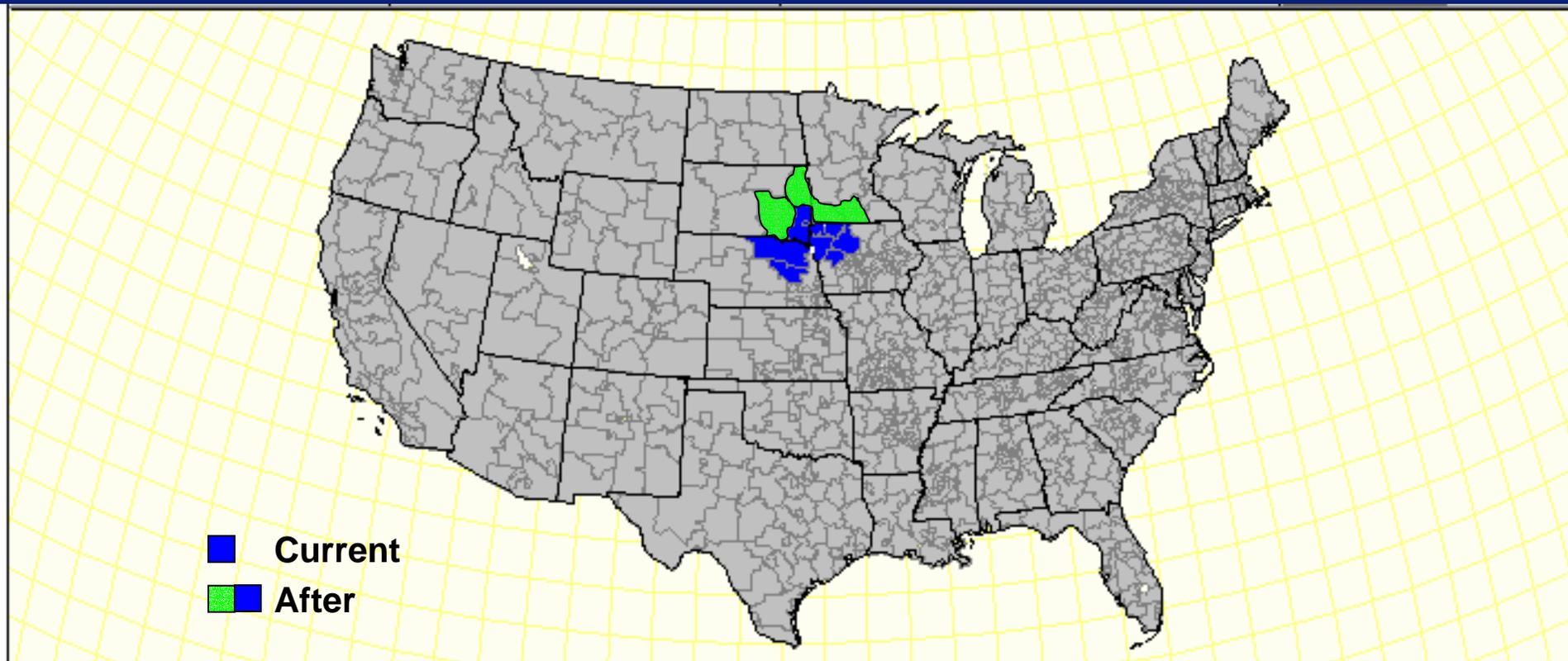
“Overnight Service changes”





Response:

Overnight Service EXPANDED





Concern:

“Loss of 150-year-old postmark and identity”

- **Local Postmark mandated by Postal Operations Manual (POM)**
- **Designated slot in Post Office Lobby**
- **Metered Mail remains the same**
- **Permit Imprint remains the same**
- **Only 14% of all mail receives an actual cancellation**



Concern:

“Mail Processing Center to close”

- **Outgoing Mail AMP study.**
- **Incoming Mail for ZIPs 510-511 would continue to be processed in Sioux City (same as pre-1992 AMP).**
- **Study does look at potential consolidation of remaining mail processing and delivery operations into one building (same as pre-1992 AMP).**



Concern:

“Bulk Mail Acceptance changes”

- **Transparent to customers**
- **No change in Bulk Mail acceptance procedures**
- **No change in Bulk Mail acceptance times**
- **No change in SCF entry discounts for current permit holders as a result of AMP implementation**
- **No change in periodicals processing**



Concern:

“How are the savings calculated?”

- **Savings come from elimination of duplicate processes and allied functions.**
 - **Approximately \$975,000 from processing, maintenance and administrative functions as well as utilities and expenses associated with multiple facilities.**
 - **Sioux City actual volumes, by operation, are processed in Sioux City’s operations, less duplicate allied processes.**
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Concern:

“Economic Impact to Sioux City?”

- **The need for change is a result of changes to our existing volume base and changes in how you do business: email instead of letters, on-line bill paying and on-line billing, UPS instead of Priority Mail, FedEx instead of Express Mail, E-Filing Income Tax instead of mailing.**
 - **No USPS career employee loses their job.**
 - **Although study identifies 47 jobs for reassignment, it is impossible to predict the actual number until Article 12 of the National Agreement is implemented.**
 - **Sioux City Post Office currently uses over 50,000 hours of overtime.**
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Concern:

“Why not AMP into Sioux City?”

- **Many scenarios proposed. To determine which to study, we consider:**
 - **Cost effectiveness, productivity improvements, technology advancements:**
 - **Automated Flat Sorting capacity (AFSM100)**
 - **Material Handling Systems (LCTS)**
 - **Parcel Sorting capacity (APPS and SPBS)**
 - **Service commitments:**
 - **Air transportation capacity (FedEx alliance)**
 - **Surface transportation (Interstate Hwys)**
 - **Future population center growth**
 - **Employee pool availability**
 - **Planned overall logistics network of USPS**
 - **Future volume trend analysis**
 - **Workshare partnerships**
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Concern:

“The decision has been made”

- **No decisions have been made and no decision will be made until your concerns have been addressed.**
- **Study determines “feasibility”.**
- **Decision will be based on current and future needs of USPS customers**
- **Data driven**



Concern:

“Will Collection Box times be moved up?”

- **No collection times would change because of the AMP.**
 - **All Collection Boxes are reviewed on a quarterly basis and changes made based on density and pick up methods.**
 - **All collection boxes in Hawkeye District are currently being reviewed to meet the National “24 Hour Clock” initiative.**
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Concern:

“What would the impact be to Sioux City?”

- **Change in processing would be transparent to the customer**
 - **Service improvements in Overnight commitments to additional 3 Digit Zip Codes in Southern MN and portions of South Dakota**
 - **Employee impact minimized by current overtime rate and attrition**
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Concern:

“What process is in place to insure AMP successful?”

- **Includes additional transportation.**
- **Independent EXFC service performance measurement.**
- **There would be two follow up “post-implmentation” Service and Efficiency Reviews within 18 months.**

Q&A

Please come to the microphone and
state your:

Name & Business Affiliation



Mail additional comments to:

Douglas H Morrow, District Manager

PO Box 18998

Des Moines Iowa 50318-9998

Must be postmarked no later than May 1st, 2006
