

MPFR Data Entry Page

1. "Transfer From" Facility Information

Type of Distribution Consolidated: Originating
Facility Name & Type: Chattanooga TN P&DC
Street Address: 6050 Shallowford Road
City: Chattanooga
State: TN
5D Facility ZIP Code: 37421
Retail & Delivery District: Tennessee
Retail & Delivery Area: Southern
Finance Number: [REDACTED]
Current 3D ZIP Code(s): 307, 373-374
Shape: Letters
Miles to "Transfer To" Facility: 143
Processing Region: Eastern
Processing Division: Southeast
Postmaster or Plant Manager: William T Graves (A)
Sr. Division Director: Sharon M Young

Flats and Parcels
138

2. "Transfer To" Facility Information

Facility Name & Type: Nashville TN P&DC	Music City TN Annex
Street Address: 525 Royal Parkway	570 Knight Valley Drive
City: Nashville	Nashville
State: TN	TN
5D Facility ZIP Code: 37229	37227
Retail & Delivery District: Tennessee	Tennessee
Retail & Delivery Area: Southern	Southern
Finance Number: [REDACTED]	[REDACTED]
Current 3D ZIP Code(s): 370-372, 384-385, 421-422	370-372, 384-385, 421-422
Shape: Letters	Flats and Parcels
Processing Region: Eastern	Eastern
Processing Division: Southeast	Southeast
Plant Manager: Gary L McClellan	Gary L McClellan
Sr. Division Director: Sharon M Young	Sharon M Young

3. Background Information

Start of Study: Oct-25-2023
Date Range of Data: Oct-01-2022 Sep-30-2023
Bargaining Unit Hours per Year: 1750
EAS Hours per Year: 1840

4. Other Information

Regional Vice President: Todd Hawkins
Vice President, Proc & Maint Ops: Dane A Coleman
Division Coordinator: [REDACTED]
HQ MPFR Coordinator: [REDACTED]

MPFR Approval Signatures

Transfer From Facility Name and Type: Chattanooga TN P&DC
Facility ZIP Code: 37421
Finance Number: [REDACTED]
Current SCF ZIP Code(s): 307, 373-374

Type of Distribution Consolidated: Originating

Transfer To Facility Name and Type: Nashville TN P&DC Letters
Facility ZIP Code: 37229
Finance Number: [REDACTED]

Transfer To Facility Name and Type: Music City TN Annex Flats and Parcels
Facility ZIP Code: 37227
Finance Number: [REDACTED]

Current SCF ZIP Code(s): 370-372, 384-385, 421-422

ACKNOWLEDGEMENT OF ACCOUNTABILITY - I acknowledge that I am accountable for respecting and supporting the integrity of all official postal reporting systems, including financial reports and those relating to compliance with contracting, complement, or similar efforts involving the investment and expenditure of funds, as well as all systems to service to our customers.

TRANSFER FROM FACILITY:

Postmaster or A/Plant Manager:

William T Graves

Printed Name

E-SIGNED by William.T Graves
on 2024-01-06 04:30:24 GMT

Signature

Date

Sr. Division Director:

Sharon M Young

Printed Name

E-SIGNED by SHARON.M YOUNG
on 2024-01-06 13:39:52 GMT

Signature

Date

TRANSFER TO FACILITY:

Nashville TN P&DC Plant Manager:

Gary L McClellan

Printed Name

E-SIGNED by Gary.L Mcclellan
on 2024-01-06 13:37:37 GMT

Signature

Date

Music City TN Annex Plant Manager:

Gary L McClellan

Printed Name

E-SIGNED by Gary.L Mcclellan
on 2024-01-06 13:37:39 GMT

Signature

Date

Sr. Division Director:

Sharon M Young

Printed Name

E-SIGNED by SHARON.M YOUNG
on 2024-01-06 13:40:05 GMT

Signature

Date

REGION:

Regional Vice President:

Todd Hawkins

Printed Name

E-SIGNED by Todd.S Hawkins
on 2024-02-21 19:43:32 GMT

Signature

Date

HEADQUARTERS:

Vice President, Proc & Maint Ops:

Dane A Coleman

Printed Name

E-SIGNED by DANE.A COLEMAN
on 2024-02-29 23:24:02 GMT

Signature

Date

Comments: _____

Executive Summary

Transfer From Facility Name and Type: Chattanooga TN P&DC

Street Address: 6050 Shallowford Road

City, State: Chattanooga, TN

Current 3D ZIP Code(s): 307, 373-374

Type of Distribution to Consolidate: Originating

Transfer To Facility Name and Type: Nashville TN P&DC

Transfer To Facility Name and Type: Music City TN Annex

Current 3D ZIP Code(s): 370-372, 384-385, 421-422

Miles between facilities: 143

Miles between facilities: 138

Summary of MPFR Analysis

Savings / Costs

Mail Processing Craft Workhour Savings =	<u>\$420K - \$560K</u>	From Processing Tab
Management Workhour Savings =	<u>\$0</u>	From Management Complement Tab
Transportation Savings =	<u>\$2.5M - \$3.3M</u>	From Logistics Tab
Maintenance Savings =	<u>\$380K - \$500K</u>	From Site A Maintenance Tab
Space Savings =	<u>\$0</u>	
Total Annual Savings =	<u>\$3.3M - \$4.3M</u>	
Total One-Time Costs =	<u>\$0</u>	From One-Time Costs Tab
Total First Year Savings =	<u>\$3.3M - \$4.3M</u>	

Staffing Positions

Net Craft Position Loss =	<u>12</u>	From Craft Complement Tab
Net Management Position Loss =	<u>0</u>	From Management Complement Tab

Service Standard Impacts

There will be no changes to Service Standards due to this MPFR.

There will be an expected 510 Origin/Destinating Pairs that will receive service performance upgrades and no service performance downgrades.

Summary Narrative

Background

The Chattanooga TN P&DC is a postal owned facility that processes originating and destinating volumes for the service area of SCFs 307, 373-374. The Chattanooga facility is 189,473 square feet. The Chattanooga facility is located 143 miles from the Nashville TN P&DC and 138 miles from the Music City TN Annex, approximately 2¾ hours via local roadways. The Mail Processing Facility Review (MPFR) proposal to move originating letter mail from Chattanooga TN P&DC to Nashville TN P&DC and originating flat mail and parcels from Chattanooga TN P&DC to Music City TN Annex was announced on 10/25/2023 under the Delivering for America plan, which includes strategies for the development of a mail processing network that enables more precise, efficient, and reliable service. By using best-in-class logistics practices, the Postal Service is driving efficiency and service performance improvement to fuel revenue growth and customer retention.

Facility Future

The Chattanooga facility is not closing and will remain open and be modernized as a Local Processing Center.

Customer Service Impacts

Retail and business mail acceptance services currently provided at the Chattanooga facility would not change due to the MPFR implementation. A local postmark is still available at the retail service counter.

There are no changes to collection box times.

Service Standard Impacts

There will be no changes to Service Standards due to this MPFR. There will be an expected 510 Origin/Destinating Pairs that will receive service performance upgrades and no service performance downgrades.

Local Workforce Impact

There will be no career layoffs as part of this initiative. The Postal Service is a responsible employer and will be working closely with the unions and management associations to work through this initiative. The Postal Service will follow requirements of the collective bargaining agreements where they apply and all applicable postal policies.

Financial Summary

The annual baseline for the MPFR study represents the period of October 1, 2022, through September 30, 2023.

The MPFR shows an estimated annual savings between \$3,300,000 to \$4,300,000. There are no projected one-time costs associated with this MPFR.

Mail Processing Craft Workhour Savings	=	\$420K - \$560K
Management Workhour Savings	=	\$0
Transportation Savings	=	\$2.5M - \$3.3M
Maintenance Savings	=	\$380K - \$500K
Space Savings	=	\$0
Total Annual Savings	=	\$3.3M - \$4.3M
Total One-Time Costs	=	\$0
Total First Year Savings	=	\$3.3M - \$4.3M

Mail Processing Employee Impacts

The Chattanooga MPFR identified a reduction of 7 craft positions and 0 management positions.

Net Craft Staffing Impacts - Both Sites											
Chattanooga P&DC				Nashville P&DC/Music City Annex				Net Impacts			
Processing	Maint	Logistics	Total	Processing	Maint	Logistics	Total	Net Proc.	Net Maint	Net Logistics	Net Total
-55	-5	0	-60	48	0	0	48	-7	-5	0	-12

Net Management Impacts											
Chattanooga P&DC				Nashville P&DC/Music City Annex				Net Impacts			
Processing	Maint	Logistics	Total	Processing	Maint	Logistics	Total	Net Proc.	Net Maint	Logistics	Net Total
-2	0	0	-2	2	0	0	2	0	0	0	0

Maintenance

The MPFR is projecting an annual maintenance savings between \$380,000 to \$500,000 due to supporting different equipment sets. The MPFR identified a reduction of 5 craft positions and 0 management positions. Maintenance staffing packages will be performed after implementation of this MPFR to determine actual impacts.

Transportation

The MPFR shows an annual savings between \$2,500,000 to \$3,300,000 due to modifying and eliminating existing HCR service. The MPFR has identified no staffing impacts at this time.

Space Impacts and One-Time Costs

There are no proposed one-time costs for this MPFR. Any space in Chattanooga made available due to the transfer of operations to Nashville would be evaluated for future utilization.

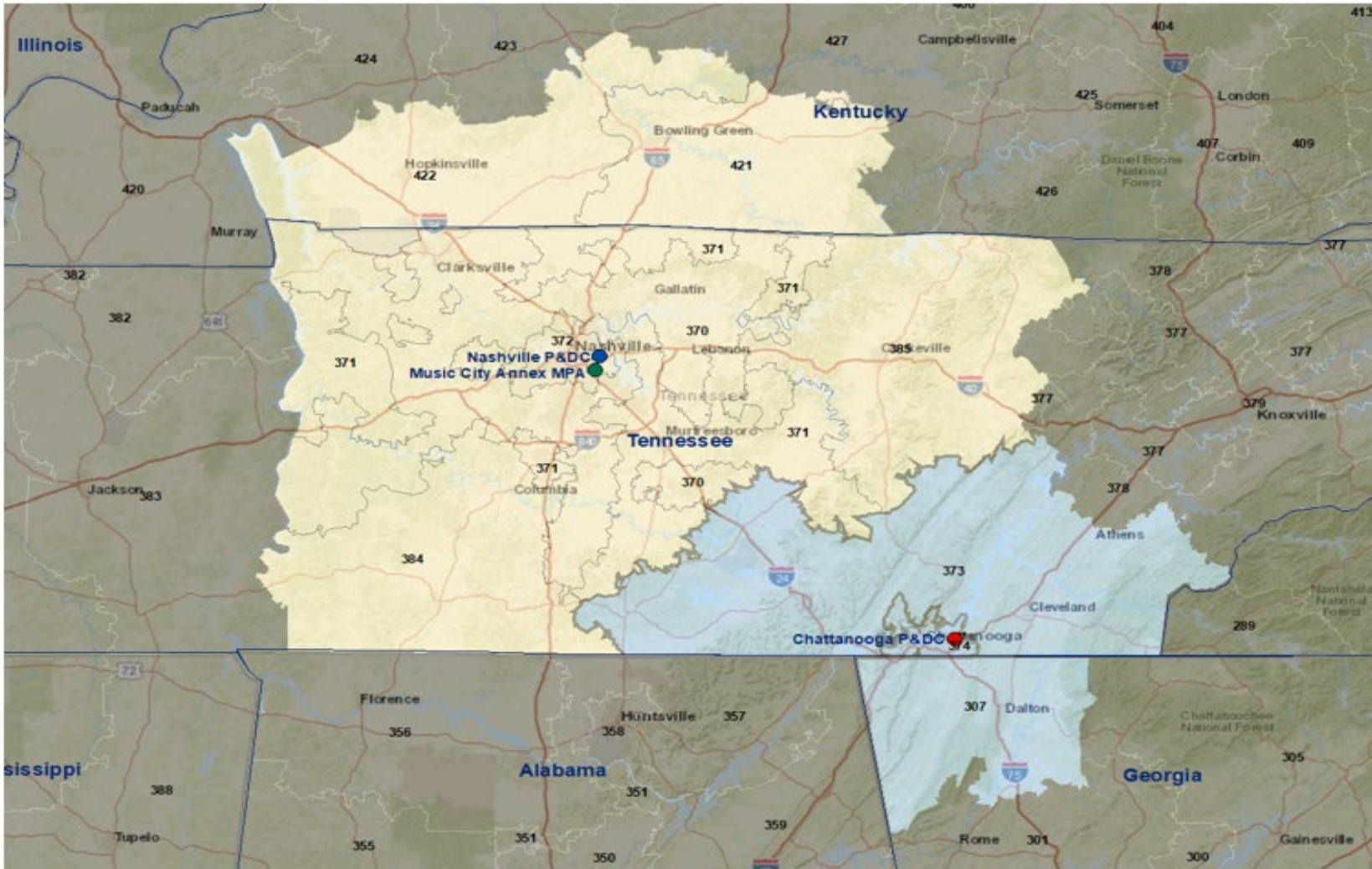
Conclusion

The Chattanooga facility will remain open and be modernized as a Local Processing Center. There will be no career layoffs as part of this initiative.

The Chattanooga TN P&DC to Nashville TN P&DC and Music City TN Annex MPFR projects an annual savings between \$3.3M and \$4.3M with no proposed one-time costs.

This go-forward plan for the Chattanooga facility will help USPS achieve the core goals of our Delivering for America plan: financial sustainability for our organization and improved service reliability for our customers.

Map of Service Areas



307, 373-374 Chattanooga

370-372, 384-385, 421-422 Nashville, Music City

Craft Complement

Career Impacts by Craft - Chattanooga Only

Processing (F1) Clerks			Processing (F1) Mail Handlers			Other Career Craft		Total
Clerk Impact	PSEs On-Rolls	Career Clerk (Clerk - PSEs)	Mailhandler Impact	MHAs On-Rolls	Career Mailhandler (MH - MHAs)	Maint Impact	Logistics Impact	All Craft Impacts
-28	17	-11	-3	9	0	-5	0	-16

This is only the impact to the Chattanooga facility

Clerk & Mailhandler reductions are a fluid number based on flexible workforce staffing (pre-career) upon implementation

Net Craft Staffing Impacts - Both Sites

Chattanooga P&DC				Nashville P&DC/Music City Annex				Net Impacts			
Processing	Maint	Logistics	Total	Processing	Maint	Logistics	Total	Net Proc.	Net Maint	Net Logistics	Net Total
-55	-5	0	-60	48	0	0	48	-7	-5	0	-12

This impact takes both sites into account and reflects the Organizational impact.

This is used to determine the F1 Savings in the MPFR workbook.

Net MPFR Impacts	
F1 Mail Proc.	-7
F3A Logistics	0
F3B Maint.	-5
Total	-12

Management Complement

Management Impacts - Chattanooga Only

Chattanooga P&DC

Processing	Maintenance	Logistics	Total
-2	0	0	-2

This is only the impact to the Chattanooga facility

Net Management Impacts

Chattanooga P&DC

Nashville P&DC/Music City Annex

Net Impacts

Processing	Maint	Logistics	Total	Processing	Maint	Logistics	Total	Net Proc	Net Maint	Logistics	Net Total
-2	0	0	-2	2	0	0	2	0	0	0	0

This impact takes both sites into account and reflects the Organizational impact.

This is used to determine the F1 Savings in the MPFR workbook.

Summary for Workbook

	Net Management Impacts	Management Savings \$
F1 Proc.	0	\$0
F3A Logistics	0	\$0
F3B Maint.	0	\$0
Total	0	\$0
Estimated Savings Range		\$0

OM to Payroll Staffing Condition Report

Run Date: 11/06/23

SAP Organizational Management Data

Payroll Form 50 Data

Occupation Series/Code	Title	Total Authorized	On Rolls Count	Variance On Rolls - Authorized	Func	LDC
471562	CHATTANOOGA TN P&DC					
23020038	PLANT MANAGER	1	1	0	8	80
23550023	MGR MAINTENANCE	1	1	0	3B	35
23150067	MGR DISTRIBUTION OPERATIONS	3	3	0	1	10
23550021	MGR MAINTENANCE SUPPORT	1	1	0	3B	35
23150106	PROCESSING SUPPORT SPECIALIST	2	2	0	0	3
23150066	SUPV DISTRIBUTION OPERATIONS	6	5	-1	1	10
23150103	SUPV DISTRIBUTION OPS (RELIEF)	1	1	0	1	10
23550010	SUPV MAINTENANCE OPERATIONS	4	3	-1	3B	35
Cost Center	Total	19	17	-2		

Service Standard Impacts

Notes: There will be no changes to Service Standards due to this MPFR.

There will be an expected 510 Origin/Destinating Pairs that will receive service performance upgrades and no service performance downgrades.

	Upgrades	Downgrades
GAL	147	0
FCM	96	0
MKT	21	0
PER	78	0
PKG	21	0
GAH	147	0
Total	510	0

Customer Service Analysis

Transfer From Facility: Chattanooga TN P&DC

Current 3D ZIP Code(s): 307, 373-374
 Data Extraction Date: 10/26/23

1. Collection Points	3-Digit ZIP Code: 307		3-Digit ZIP Code: 373		3-Digit ZIP Code: 374		3-Digit ZIP Code:	
	Current		Current		Current		Current	
	Mon. - Fri.	Sat.	Mon. - Fri.	Sat.	Mon. - Fri.	Sat.	Mon. - Fri.	Sat.
Number picked up before 1 p.m.	25	38	16	14	9	10		
Number picked up between 1-5 p.m.	17	5	57	8	12	21		
Number picked up after 5 p.m.	7	1	3	1	21	1		
Total Number of Collection Points	49	44	76	23	42	32	0	0

2. How many collection boxes are designated for "local delivery"?

3. How many "local delivery" boxes will be removed as a result of MPFR?

4. Delivery Performance Report

Quarter/FY	Percent
QTR1/FY23	53.1%
QTR2/FY23	43.3%
QTR3/FY23	39.9%
QTR4/FY23	44.2%

% Carriers returning after 1700

5. Retail Unit Inside Transfer From Facility (Window Service Times)

	Current		Proposed	
	Start	End	Start	End
Monday	8:00	18:30	8:00	18:30
Tuesday	8:00	18:30	8:00	18:30
Wednesday	8:00	18:30	8:00	18:30
Thursday	8:00	18:30	8:00	18:30
Friday	8:00	18:30	8:00	18:30
Saturday	9:00	12:30	9:00	12:30

6. Business (Bulk) Mail Acceptance Hours

	Current		Proposed	
	Start	End	Start	End
Monday	10:00	17:00	10:00	17:00
Tuesday	10:00	17:00	10:00	17:00
Wednesday	10:00	17:00	10:00	17:00
Thursday	10:00	17:00	10:00	17:00
Friday	10:00	17:00	10:00	17:00
Saturday	Closed	Closed	Closed	Closed

7. Can customers obtain a local postmark in accordance with applicable policies in the *Postal Operations Manual*? Yes

8. Notes: _____

Transfer To Facility: Nashville TN P&DC - Letters
 Transfer To Facility: Music City TN Annex - Flats and Parcels

9. What postmark will be printed on collection mail?
 Line 1 _____
 Line 2 _____

One-Time Costs

MPE Relocation Costs

Building Modifications

Prep on Workroom Floor

Employee Relocation

Total \$0

Estimated One-Time Cost

Processing

CHATTANOOGA TN P&DC			
Mail Mix	Current Facility Workload Content	Current Facility Workhours	Current Facility FTEs
Letters			68
Flats			19
Packages			69
Other			64
Grand Total			220

FY23 YTD workhour rate \$ 47.62

Mail Mix	Future Workload Content @ Current Facility	Current Workhours Used for Remaining Volume	Current Efficiency Index (EI) for Remaining Volume	Current FTEs for Remaining Volume
Letters			7,148	63
Flats			6,814	15
Packages			6,328	34
Other			139	54
Grand Total				166

Current On Rolls 199
Impact (33)

Mail Mix	Volume Moving	Current Workhours for Volume Moving	Current Efficiency Index (EI) for Volume Moving	Current FTEs for Volume Moving	15% EI Imp. @ Transfer To Facility	Volume Moving @ 15% EI WH Imp. = Future Workhours @ Transfer To Facility	FTEs @ 15% EI Imp. @ Transfer To Facility	New Facility Change	\$ Savings
Letters			12,553	5	14,436		4	(1)	\$ 99,041
Flats			5,789	5	6,657		4	(1)	\$ 99,041
Packages			3,115	35	3,583		31	(4)	\$ 396,165
Other			254	10	292		9	(1)	\$ 99,041
Grand Total				55			47	(7)	\$ 693,289

Estimated Savings Range

\$420K - \$560K

Maintenance

Major MPE Equipment List		
Equipment	Current Count	Future Count
AEC5200	2	0
AESM100AFSM100	1	1
AIAFSM	1	1
APBS	1	1
ASD_DA	1	1
ATU	1	1
	3	0
BDS		
	2	2
CONTLCNTU		
	7	7
DBCS		
DIOS5	3	2
DPKNCULL	1	0
EAA	1	0
FRESFRES	1	1
HDUMP	7	7
ICAFSM	1	0
LAN	1	1
LCREM	1	1
LCTSLCTSLCTS	1	1
LMS	2	1
MSWYB	6	6
VFS	5	0

Current eWHEP Authorized						
SITE	LDC 35	LDC 36	LDC 37	LDC 38	LDC 39	Grand Total
CHATTANOOGA TN P&DC	6	31	2	25	2	66

Current Cost						
SITE	LDC 35	LDC 36	LDC 37	LDC 38	LDC 39	Grand Total
CHATTANOOGA TN P&DC	\$905,509	\$3,887,903	\$253,043	\$2,512,247	\$226,512	\$7,785,214

Total Maintenance Craft x 1799 Hrs x LDC Labor Rate	\$6,879,706
Total Maintenance EAS x 1783 Hrs x LDC Labor Rate	\$905,509
Total Annual Cost	\$7,785,214

LDC	Current Work Hrs	Future Work Hrs	Work Hrs Delta	FTE Delta	Estimated Cost
35			0	0	50
36			-8915	-5	-627,081
37			0	0	50
38			0	0	50
39			0	0	50
Grand Total			-8915	-5	-627,081

Future						
SITE	LDC 35	LDC 36	LDC 37	LDC 38	LDC 39	Grand Total
CHATTANOOGA TN P&DC	6	26	2	25	2	61

Future Cost						
SITE	LDC 35	LDC 36	LDC 37	LDC 38	LDC 39	Grand Total
CHATTANOOGA TN P&DC	\$905,509	\$3,260,822	\$253,043	\$2,512,247	\$226,512	\$7,158,133

Total Maintenance Craft x 1799 Hrs x LDC Labor Rate	\$6,252,624
Total Maintenance EAS x 1783 Hrs x LDC Labor Rate	\$905,509
Total Annual Cost	\$7,158,133

Savings	
Maintenance Craft Work Hour Savings	\$627,081
Maintenance EAS Work Hour Savings	\$0
Total Annual Savings	\$627,081

Total Employee Reduction	-5	Estimated Savings Range	\$380K - \$500K
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\$\$\$/FTE	(\$125,416.22)
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Note: Calculation include projected Operational Maintenance hours, 2A - Miscellaneous Equipment hours, 2C - Additional Requirements hours, and LDC 36 FMO hours.

IV. Productive Workyear Factors.

Productive workyear factors are for use in all decision analysis reports and contracting out versus in-house service analyses. These factors represent the number of workhours in a workyear and are used in conjunction with the local workhour rates (which include compensation and benefits) in order to determine the cost per workyear.

Bargaining 1,763 hours
Supervisor 1,799 hours

For productive workyear factors for specific types and levels of employees, please refer to the Workhour Rates Memo. The rates provided in the memo are fully loaded and include fringe benefits, servicewide costs, and applicable lump sum payments.

The site where the latest Workhour Rates Memo is located can be accessed using the following link: <https://blue.usps.gov/cape/page2.htm>

LDC Code	Work Hour Rate
35	
36	
37	
38	
39	

Logistics

Route	Current Annual Miles	Annual Mileage Change	RPM	Current Annual Cost	Proposed Annual Cost	Annual Cost Change
300FE HCR						\$0.00
300U8 HCR						(\$400,446.65)
303CE HCR						(\$2,492.23)
335UE HCR						\$8,160.50
370AE HCR						(\$481,169.55)
370P0 HCR						\$0.00
373L8 HCR						(\$626,342.59)
377L1 HCR						(\$456,066.37)
377L5 HCR						(\$746,443.02)
38127 HCR						(\$967,392.97)
452AE HCR						\$0.00
607P2 HCR						(\$486,462.99)
Grand Total						(\$4,158,655.87)

Estimated Savings Range	\$2.5M - \$3.3M
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0 Net Craft Impacts