Welcome

Yakima WA
Area Mail Processing (AMP)
Public Meeting
July 21, 2011
• Video Presentation - 
  Area Mail Processing (AMP)
• USPS Management Presentation
• Public Comments
• Meeting Close
AMP Video Presentation
• AMP (Area Mail Processing)
  Consolidation of all outgoing or all incoming mail processing operations from one or more facilities into other automated processing facilities for the purpose of improving operational efficiency and/or service.

• Effective process used for decades to help us adjust to changes in the environment
The Need for Change

• Postal Service faces “Acute Financial Crisis”
• Impacts due to the rise in Electronic Communications
• Economic Recession
• Change in Mail Mix
  – Increase in Work Sharing and Drop Shipments
  – Decrease in First-Class Mail Volume
The Need for Change

Total Piece Volume (in '000s)

FY 2001: 50,000,000
FY 2002: 50,000,000
FY 2003: 45,000,000
FY 2004: 40,000,000
FY 2005: 35,000,000
FY 2006: 30,000,000
FY 2007: 25,000,000
FY 2008: 20,000,000
FY 2009: 15,000,000
FY 2010: 10,000,000

First-Class Single Piece

42.2% decline since FY2001
Benefits of Consolidation

• Puts the Right People in the Right Location with the Right Resources
• Utilizes Equipment Efficiently
• Reduces Overall Costs
• Does Not Affect Customer Services
• Supports Our Network Plan
• Office Inspector General (OIG) validated the new AMP process calling it credible and sound
• Recent OIG audits show AMP consolidations were prudent business decisions
• General Accounting Office (GAO) Report stated we consistently follow the AMP process
• **Service Standards for First-Class Mail**
  – Four 3-Digit pairs upgraded from 2-day to Overnight with 0 downgrades
  – Twenty-two 2-Digit pairs upgraded from 3-Day to 2-Day with 0 downgrades

• **Customer & Delivery Services**
  – Delivery Services
  – Customer Services
    • Retail Hours
    • Business Mail Acceptance
    • Drop Shipment
• Jobs
  – Impacted Jobs

• Community Identity
  – Local Postmark Remains Available
  – Meter and Permit Indicia Do Not Change
Yakima to Pasco

Distance: Approx. 81.3 miles between facilities
Proposed Annual Savings of $1,184,545 *

<table>
<thead>
<tr>
<th>Category</th>
<th>Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mail Processing Employee Savings</td>
<td>$491,051</td>
</tr>
<tr>
<td>Mail Processing Management Savings</td>
<td>$261,068</td>
</tr>
<tr>
<td>Maintenance Savings</td>
<td>$456,068</td>
</tr>
<tr>
<td>Transportation Savings</td>
<td>$122,232</td>
</tr>
<tr>
<td>Annual Space Costs</td>
<td>($145,864)</td>
</tr>
</tbody>
</table>

* Preliminary results subject to change
Projected net decrease of 19 positions *

- Net craft impacts -17
- Net supervisor/management impacts -2

All bargaining employee reassignments will be made in accordance with the respective collective bargaining agreements.

* Preliminary results subject to change
Benefits from consolidation

• Annual savings
• Maximize resources
• Reduce excess capacity
• Eliminate duplicate operations
• Focus on remaining operations
• No changes to delivery times
• No changes to retail services
• No changes to meter and permit indicia
• No changes to business mail acceptance
• Commercial mailers will continue to get appropriate postage discounts
• Reduces Costs
• Improves Efficiency
• Puts the Right People in the Right Location with the Right Resources
• Transparent to Customer Services
• Supports our Strategic Plan
If you wish to comment or have a question, please come to the microphone and state your:

Name
Affiliation
Comment or Question

Speakers are limited to two minutes, one opportunity per individual.

Please be courteous
Mail additional comments to:

Consumer and Industry Contact
Seattle District
PO Box 90306
Seattle WA 98109-9631

Must be postmarked by August 5, 2011
Thank you!