#### JARED HUFFMAN 2ND DISTRICT, CALIFORNIA

COMMITTEE ON NATURAL RESOURCES
COMMITTEE ON THE BUDGET

# Congress of the United States House of Representatives

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Patrick R. Donahoe Postmaster General and Chief Executive Officer United States Postal Service 475 L'Enfant Plaza, SW Washington, D.C. 20260

#### Dear Postmaster General Donahoe:

I write again to express my strong opposition to the United States Postal Service's (USPS) plan to consolidate mail processing operations from both the North Bay Processing and Distribution Center (P&DC) in Petaluma, CA and the Eureka Customer Service Mail Processing Center (CSMPC) in Eureka, CA. I am frustrated at the Postal Service's lack of transparency throughout this process, disregard for public input, and ambivalence to the impacts reduced service standards will have on local communities.

As you are aware, I convened public town hall meetings in August of 2014 in both Petaluma and Eureka to allow my constituents the opportunity to learn about the Postal Service's proposed plan and an opportunity to have their questions and concerns addressed. Representatives from the USPS were invited with ample notice to participate in these forums and yet the Postal Service declined to attend.

Since the Postal Service did not attend the public meetings, I have enclosed a summary of the comments that were expressed during these forums, and I ask that you read their concerns and provide me with a response. Specifically, my constituents are concerned that the consolidation of Postal Service facilities will lower mail service standards and harm voters, seniors, families, and the local economy.

The comments I received cover a wide range of potential impacts. They are worried, for example, that they and other citizens who are voting increasingly by absentee ballot could be disenfranchised due to delayed mail delivery. I heard from a mother imploring the USPS not to close the Eureka facility for fear that she would not receive her son's needed medications in time. We also heard from local businesses that depend on reliable, timely delivery in order to stay in business.

The situation has been made worse by the mixed messages provided to me and my staff, and to the local media and public. The Postal Service has publicly stated that operations may be moved from Petaluma to San Francisco—as opposed to the original proposal of Oakland—yet when my

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office has followed up for additional information and data about the impacts of such a change, the Postal Service have only provided data about the earlier plan. Additionally, it has come to my attention that the USPS declined to meet with local leaders from my district stating that the decision is final and there is nothing more to discuss, when just the month prior I was personally assured that the process was ongoing and no final decision had been made.

Throughout this process, the Postal Service continues to claim significant savings from these proposed changes, yet there has been little verifying data provided. In fact, on September 28, 2012, the Postal Regulatory Commission issued an advisory opinion on the financial savings and soundness of the Postal Service's mail consolidation plan. The Commission's analysis calculated savings from consolidation to be as low as \$46 million nationally, compared to the \$2.1 billion in savings that USPS claimed, and the analysis also cited concerns about USPS's methodology and analysis of savings and impact on service standards.

I have my own doubts about the projected savings, and ask that the Postal Service provide me with a detailed analysis of both the financial feasibility of moving mail processing from the North Bay facility to San Francisco, as well as data proving your assertion that my constituents will not see a reduction in service standards from this consolidation. I am also asking the USPS to provide updated analysis of moving Eureka operation to Medford, OR or any other locations you are considering.

As I have stated before, I understand and support the Postal Service's attempts to reexamine its business model and find new ways to maximize efficiency, improve service, and reduce costs. The USPS has not provided me and my constituents with adequate information to show that the proposed consolidation of 82 mail processing facilities across the country will meet these goals.

I therefore ask the Postal Service to:

- 1) Suspend this misguided proposal to consolidate mail processing facilities on California's North Coast.
- 2) Provide my office with detailed data and analysis of the consolidation proposal for both the North Bay P&DC and the Eureka CSMPC showing the financial costs and impact on service standards, and including updated analyses for moving operations to Oakland and Medford as well as information on the new San Francisco proposal.
- 3) Read the attached public comment concerns and provide me with a response.
- 4) Meet with impacted local stakeholders to explain your new proposal and work with them to find a solution that meets both the Postal Service's needs and those of the local community. This should include meeting with local businesses, the affected counties' registrars of voters, local elected officials, and the general public.

I strongly urge you to retain mail service standards for the north coast of California, and look forward to hearing your response to my inquiry.

Sincerely.

vared Huffman Member of Congress

Cc: David Stowe, District Manager

San Francisco District, United States Postal Service

# Petaluma USPS Town Hall Meeting Public Comments August 26, 2014

#### Service Standards Concerns:

- Businesses in Petaluma already claim to be experiencing poor mail delivery from the Oakland
   Processing Plant, especially delays in the arrival of first class mail
- Multiple local printers and mail houses have testified that the consolidation plan is already harming their business due to delays
- The lack of efficiency on the part of USPS has been evident in a shift in "critical entry times" (the latest time that a minimal amount of mail can be tendered to designated induction points in the postal network in order for it to be processed and dispatched to meet service standards)
  - Essentially, USPS is pushing these times back because they cannot handle the high volumes at Oak and SF to say that mail is meeting standards, when in fact the standards are changing and the mail service is worse
- Load leveling is issue
  - USPS has instituted load leveling to reduce processing work hours and carrier overtime hours. (Standard Mail accepted on Friday will not be delivered until Tuesday, and mail accepted on Saturday will have a promised delivery day of Wednesday; previously DSCF mailers could expect mail delivery on Monday)
- Postal workers expressed that the productivity of the North Bay facility has historically been higher than that of the Oakland facility, when using USPS's own standards for measuring efficiency
- Delivery standards will suffer. While Mr. Stowe believes SF can accommodate the increased volume, he has publically stated that SF cannot maintain delivery standards (according to USPS employees)

## **Feasibility Concerns:**

- Workers raised concerns about how local post offices like San Rafael may lack the adequate docks to accommodate the larger trucks, which transport mail from Oakland and SF to the North Bay
- Workers expressed concerns as to whether or not SF and Oakland were equipped to handle an increase volume in mail, given the physical limitations of the plant
  - While USPS mail volume has significantly decreased in the last few years, overall North
     Bay volume has still increased significantly since the plant first opened
- North Bay population is growing, so the need to process North Bay mail will only increase
- The U.S. Code requires USPS to maintain service standards, and there are many doubts that
   USPS will be able to maintain high standards if processing is moved

# **Transparency Concerns:**

USPS management has been generally unwilling to work with labor throughout this process

Dissatisfaction with the lack of community outreach by USPS throughout the process

# Other Questions:

- How will this consolidation effect Petaluma's cottage industry?
  - o I.e. one constituent doesn't trust UPS or FedEx to deliver her orders of 5,000 live chicks
- How will the reductions in hours of rural post offices under the POST Plan affect veterans and seniors?
- What are the added fuel costs for transporting mail from the North Bay additional distances, and how would a rise in fuel costs impact the USPS projected savings?
- The role of the Mailers' Technical Advisory Committee needs to be scrutinized

# Eureka USPS Town Hall Meeting Comments August 22, 2014

#### Voting Issues

- o Delay in delivery of voter ballots
- o Postmarks DON'T count for vote-by-mail ballots must be IN HAND on election day
- Greater than one-third of vote-by-mail ballots are received on or just before election day, leaving very little buffer for possible mail delay (per Humboldt County Registrar of Voters)
- More handling of ballots throughout mail process increases opportunity for damage, thereby discounting ballots
- o "Mail delivery delayed is democracy denied!"
- o Processing facility closures in other areas have caused delayed voting

## • Reduced Service

- o Will encourage move toward private delivery services
- Delay of important time-sensitive processes such as passport applications, Golden Gate
   Bridge toll bills, etc. could have serious implications
- o For those who work from home (e.g., sellers on Etsy, eBay) USPS is significantly less expensive than competitors—we depend on them to be competitive and reliable

#### • Transportation Concerns

- There is no highway contract currently in place for US 199. Alternate routes are long and difficult, roads are subject to poor weather
- o What will happen to our mail when the road closes and the driver is already en route?
- o Routes to Medford are subject to inclement weather FREQUENTLY and are dangerous

#### • Government Program Beneficiaries / Medication Concerns

- o Reduces time for beneficiaries to respond to critical mail
- Could result in life or death situation when medications and medical supplies are delayed

# Efficiency Concerns

- o There may be a need to remodel or add space in Medford to accommodate the additional workload, or more work/man hours, which is an increased cost
- Overnight mail is already not overnight for our area and is unreliable at even 2 days this area is already under-serviced and the USPS is not meeting its commitments
- o This won't save money, so there is fear the USPS will further raise the price of stamps
- Mail to/from outlying communities will go from town (e.g., Ferndale) to Eureka to Medford to Eureka to the outlying town, which doesn't make sense
- o What will happen should a machine shut down? Will they wait for our mail?
- o USPS is already handicapped compared to competitors (e.g., no wine shipment)

### • Privatization Concerns

- o Union-busting measures and false innovations
- o Some federal agencies don't even use USPS and use competitors

- o The requirement to pre-fund the USPS for 75 years is unacceptable
- o This appears to be a plot to destroy the USPS and move to privatization

#### • Environmental Concerns

- o Will cause increased gas consumption to send mail further away and back
- o We request the USPS conduct a NEPA review to assess environmental impacts

# • USPS' Handling of the Closure Process

- USPS is using outdated information and incomplete studies to base these decisions on and there is a lack of public participation in the process
- o It is insulting to our community for the USPS to not participate in this town hall
- How can USPS make these decisions if accurate information on road closures isn't even available?
- We need to demand public meetings
- USPS is not providing specific budget numbers to find the real breakdown, go to APWU.org, go to Western Region site
- o Participate in the poll on facility closures at OIG.gov
- o USPS lacks accountability

#### General

- Medford postmark takes away from Humboldt's efforts to promote our local pride and heritage (e.g. Humboldt Made products)
- o Issue affects our entire region
- o Idea: USPS could provide secured emails in addition to secure mail as a revenue generator
- o Why not cut management instead of service?