



NDC Impact Update

March 20, 2015

Dear Brothers and Sisters,

As scheduled, the Union did meet with local and regional Postal management to discuss the proposed involuntary reassignment of mail handlers outside of the installation. Attending for the NPMHU were NDC Branch President Joe Zelenenki, Eastern Regional Director Eileen Mills, Treasurer Mike Mohan, Chief Shop Steward Garry Simmons as well as the undersigned. Managers in attendance included Plant Manager Terry Morrow, Eastern Area Labor Relations Representative Ken Botknecht, Philadelphia District Human Resource Manager Lisa Jordan, In Plant Support Manager Gene Troxell and others. The meeting began with the distribution and review of an informational presentation by Plant Manager Morrow. (That document can be reviewed on the Local's website at www.npmhu308.org through the NDC link) The information provided purported to justify the proposed staffing reductions to mail processing personnel within the facility. To simplify, according to management this action is an effort to reduce work hours to improve their productivity. During this portion of the meeting discussion did occur regarding the addition of another APBS that would be installed where the current LCUS-1 stands, moving LCUS-1 into the South Expansion. According to local management it is not yet determined whether this APBS will be a permanent addition to the NDC and therefore its effect on the pending impact is not yet known. Following the Plant Manager's presentation the Union continued the discussion with a review of the controlling contractual language as the parties agree that Article 12.6C5 would guide any movement. In addition, the timing of any subsequent grievances that might be filed related to this issue was also discussed for purposes of clarification. The Union also made numerous inquiries regarding the process of identifying impact and determining that a 26.7% percent reduction in mail handler work hours was appropriate. It is the opinion of the employer that a reduction in work hours will improve BPI (productivity). That's really all they had to offer on the rationale. It appeared to the Union that very little confidence existed within upper management in the ability of operations management to manage work hours and that a reduction in work hours could only be achieved with this draconian step. As we have previously stated, if they can't get it done with current staffing levels how can they possibly move the mail in and through the building if they make the proposed cuts?

In terms of actual impact, the final staffing target remains 364, however due to some attrition the impact currently stands in the mid-70s. The exact number depends on our current on rolls figures which may be as low as 436, which would mean an impact of 72 at this point. The employer stated that they

would confirm the current on rolls figure. In addition, as reflected by the impact statement itself, the overtime rate came in at 5.4% or 966 hours weekly on average. It is the Union's position that 966 hours equates to 29.27 Full-Time Equivalents (FTEs) and the impact should then be reduced by at least 29. Further, the current overtime rate is actually higher, which would further increase FTEs and decrease the impact. The employer agreed to provide the Union with current average overtime hours. The Union also reviewed the intent to retain casual work hours of more than 4,800 per week. This equates to 36.63 FTEs and we believe it should reduce impact by another 36. The issue of employees absent for periods of a year or more due to illness or injury with very little prospect of returning could also reduce impact. Management during the meeting identified approximately 12 who would fall into this category. To be perfectly clear management did not commit to any reduction in impact at this point outside of any additional attrition we may have experienced, however, the Union presented its contractually supported position and anticipates some additional decline on the final effect. This is obviously a very fluid situation as the employer expects actual movement of personnel effective July 25, 2015, with notices to those employees identified no later than 60 days prior. As soon as additional information becomes available we will pass it along, and as always, if you have any questions or concerns please contact Branch President Joe Zelenenki or this office directly.

In Solidarity,

John Gibson