

National Postal Mail Handlers Union

Paul V. Hogrogian National President Michael J. Hora
National Secretary-Treasurer

June Harris Vice President Central Region John A. Gibson Vice President Eastern Region David E. Wilkin Vice President Nortbeastern Region Lawrence B. Sapp Vice President Soutbern Region

Certified Number: 70192280000052595795

Don J. Sneesby Vice President Western Region

November 4, 2021

Kate Attridge, Vice President, Labor Relations

Patrick Devine, Manager, Contract Administration (NPMHU) U.S. Postal Service 475 L'Enfant Plaza, SW

Washington, DC 20260

Dear Ms. Attridge and Mr. Devine:

The National Postal Mail Handlers Union is initiating a grievance at the Step 4 level – in accordance with Article 15, Section 3D of the 2019 National Agreement between the NPMHU and the Postal Service – concerning the Postal Service's decision to expand the outsourcing of the Terminal Handling Services. The NPMHU became aware of this subcontracting when Cargo Force made a public announcement of its plans to open four new US facilities after winning a new contract with the USPS.

According to this public announcement, the new contract for mail and express services will last seven years and is worth \$100 million. The new facilities are to be opened in Seattle, San Diego, Detroit and Orlando. The plan is for the buildings to cover 173,000 sq ft and will create 255 new jobs in the four sites.

The NPMHU believes that this subcontracting presents both a procedural and substantive violation of Article 32 of the parties' National Agreement, as well as a violation of the Memorandum of Understanding Re Article 32 that appears on page 201 of that National Agreement.

With regard to procedures, Article 32.1B of the National Agreement provides for advance notice and discussions with the Union while the Postal Service is "developing the initial Comparative Analysis Report." It also requires the Postal Service, among other things, to consider the views of the Union before making its subcontracting decision, to respond to the Union's views in its decisional document, and to not make any final decisions on contracting out work prior to discussing the matter with the Union.





National Postal Mail Handlers Union

Paul V. Hogrogian National President Michael J. Hora National Secretary-Treasurer

June Harris Vice President Central Region John A. Glbson Vice President Eistern Region David E. Wilkin Vice President Northeastern Region Lawrence B. Sapp Vice President Southern Region Don J. Sneesby Vice President Western Region

Each of these required procedures was violated by the Postal Service in this case. These are blatant violations of Article 32: stated simply and directly, there were no discussions with the Union, nor consideration of the Union's views, prior to the point at which the Postal Service made its decision.

On the substantive factors that must be considered under Article 32.1A, here again the Postal Service could not have properly considered or decided upon these factors without Union input, and the Postal Service's failure to seek advance Union input may account for whatever errors made by the Postal Service when it unilaterally "considered" the Article 32 factors. Failure to discuss with the Union is the epitome of arbitrary and capricious conduct that violates Article 32.

For just one example, a key factor under Article 32 is cost, yet the Postal Service's analysis could not have properly compared the costs of the subcontract with the cost of using USPS employees because the Postal Service could not know the costs of maintaining the work inside the Postal Service without discussing the work with the NPMHU.

The NPMHU and its representatives are available to process this grievance in accordance with Article 15.3(D) of the National Agreement.

Thank you for your attention to this matter.

Sincerely,

Teresa Harmon Manager, CAD

Cc:

Paul V. Hogrogian, National President Michael J. Hora, National Secretary-Treasurer National CAD Bruce Lerner, General Counsel

