



SAMLU REPORT

— PORTLAND, OR —

The Semi-Annual Meeting of the Local Unions (SAMLU) was held in Portland, OR from August 21 through August 23, 2023. In attendance were the National Executive Board Members, all NPMHU National Office Department Heads, National and Regional Contract Administration Representatives, Officers, and Representatives from the thirty-six (36) NPMHU Local Unions.

MONDAY, AUGUST 21, 2023

National President Hogrogian, in his welcoming remarks, congratulated the new and re-elected Local Presidents; Chris Bentley (Local 297), Yvette Johnson (Local 300), Greg Hill (Local 304), Lisa Pruchnicki (Local 309), Charles Charleston (Local 311), Bryan Easley (Local 315), Tony Wilson (Local 321), Jeff Larson (Local 323), and Sheldon Adams (Local 334). In addition, President

Hogrogian congratulated other recently elected and re-elected Local Union Officers who were in attendance. National President Hogrogian introduced Local 315 President Bryan Easley, the host local, for welcoming remarks.

National President Hogrogian then began a comprehensive presentation of the activities of the National Union since the April 2023 SAMLU, starting with an update on USPS financial



National President Paul Hogrogian



National Secretary-Treasurer Kevin Tabarus



conditions and mail volumes by category for Quarter 3 (April 1 through June 30, 2023) of fiscal year (FY) 2023.

The USPS had a net loss of \$1.7 billion for the quarter and a net operational loss of \$860 million. The USPS reported that total mail volume was down 11.4% compared to the same quarter last fiscal year. First-class mail volume was down 5.9%, continuing the trend. First-class mail volume has declined each

year for the last fifteen (15) years and is projected to continue to decline into the future. Marketing mail posted a decrease of 16 % for the same quarter last year. The Postal Service cites high inflation and lower political and election mail for the decline in marketing mail. Package volume has decreased by 2.4% from last fiscal year but remains higher than pre-pandemic levels. In July 2023 the USPS implemented

Ground Advantage Service. This service offers lower rates for parcels shipped by ground transportation versus air transportation, which should increase parcel volume. Postmaster General DeJoy maintains an optimistic outlook, predicting increased parcel volume into 2023 and beyond as reflected in his 10-year plan.

National President Hogrogian next discussed the make-up of the USPS



Vice President Central Region, Local 306
President June Harris



Vice President Northeast Region
Dave Wilkin



Vice President Eastern Region, Local 308
President John Gibson

Board of Governors. The Board of Governors consists of nine (9) Postal Governors (who serve seven-year terms) in addition to the Postmaster General (PMG) and Deputy Postmaster General (DPMG). The sitting Governors include Robert Duncan, Roman Martinez, William Zollars, Lee Moak, Ron Stroman, Anton Hajjar, Amber McReynolds, Daniel Tangherlini, and Derek Kan. The term for Governors Zollars and Moak has expired. They remain in their positions until other governors are appointed or for a period of one year, whichever comes first. Former Congresswoman Carolyn Maloney (D-NY) and Congresswoman Brenda Lawrence (D-MI) both have expressed interest in serving on the Board of Governors. Both have been allies to the USPS during their terms in Congress. Once President Biden nominates replacement Governors, the Senate Committee on Homeland Security and Governmental Affairs will hold confirmation hearings.

National President Hogrogian reviewed the USPS Ten-Year Plan (Delivering for America), which sets forth a series of strategies by which USPS management hopes to improve service and ensure financial stability. The major points of the 10-year plan considered passed or accomplished include: (1) postal reform; (2) a commitment to 6/7-day delivery; (3) rate flexibility; (4) planning for package growth (Ground Advantage Service); (5) establishing 46 package support annexes that will be phased out with the Network Redesign; (6) service standard modifications that include new 4 & 5-day delivery standards; (7) increased utilization of ground transportation versus air transportation; (8) stabilizing the non-career workforce while retaining employee benefits; and (9) consolidating and standardizing mail processing operations in select installations.

National President Hogrogian spoke about the USPS network redesign, noting



Vice President Western Region,
Local 316 President Don Sneesby



Legislative and Political Director
Katie Maddocks



Northeast Region Director
Patrick Donovan



Southern Region Director Eileen Mills



Western & Central Region Director
Don Gonzales



Western Region Director Nick Lehto



Eastern Region Director
Andy Badilishamwalimu



CAD Representative Eugene Horton



CAD Representative Tom Ruther



CAD Manager Teresa Harmon



Executive Director Mail Handlers Benefit
Plan Nina Gallaresi



Assistant to the National Officers
Neil Ryan

that these proposed changes are fluid and ever changing and are driven by facility proximity, volume, standardization, and transportation opportunities.

The key component to the network redesign is the creation of sixty (60) Regional Processing and Distribution Centers (RPDCs) around the country in metropolitan areas. The concept is to combine the multiple mail Processing Centers within a geographic area into a RPDCs. RPDCs will process originating outgoing letters, flats, and all incoming and outgoing parcels. As the Postal Service brings back in-house sub-contracted Surface Transfer Center (STC) and Terminal Handling Service (THS) these operations will be moved into the RPDCs.

The Postal Service will also be establishing Local Processing Centers (LPCs) in existing postal facilities and some within RPDCs. The LPCs will only process incoming letters, flats and will be a transfer hub to delivery sites.

The Postal Service has identified the following sites that will be impacted first:

- Sandston, VA
- Atlanta, GA
- Chicago-Forest Park, IL (South)
- North Houston, TX
- Santa Clarita, CA
- Charlotte, NC
- Greensboro, NC
- Indianapolis, IN
- Portland, OR
- Boise, ID
- Royal Palm, FL
- Chicago, IL (North)
- Oklahoma City, OK
- Nashville, TN
- San Antonio, TX
- Los Angeles, CA

Sandston, VA is up and running. In September, Atlanta, GA, Chicago-Forest



Local 332 President Edvina Tesch



Local 334 President Sheldon Adams



Local 320 President Bernie Gonzalez



Local 331 President Dave Wisneski



Local 333 President Monica Marshall



Local 321 President Tony Wilson

Park, IL (South) and Charlotte, NC will start to move operations into the facility. All four sites are expected to be fully operational by February 2024. We believe that the Atlanta, GA changes will serve as the model for future consolidations. Most, if not all, Network Distribution Centers (NDC) will become RPDCs. The High Output Parcel Sorter (HOPS) and the Matrix Regional Sorter (MaRS) will be in the RPDCs. On August 18, 2023 the Postal Service released the craft jurisdiction determination for the HOPS, with all functions on the machine being awarded to the Mail Handler craft, except the Reject Station, which will be disputed. The HOPS machine is currently in existing postal facilities.

The Postal Service is also in the process of consolidating delivery units (Letter Carriers) within a geographic area into Sorting and Delivery Centers (S&DCs). For example, if fifteen (15) Post Offices within a geographic area has ten (10) Letter Carriers each, all one hundred fifty (150) Letter Carriers would be consolidated into an S&DC. The NPMHU will be fighting to have Mail Handler positions established in these S&DCs. The NPMHU Committee of the Future has established the S&DC Job Creation Taskforce and will be providing training on Wednesday.

National President Hogrogian assured the attendees that the NPMHU will continue to oppose unnecessary consolidations and will take steps to minimize the negative impact to Mail Handlers.

National President Hogrogian next addressed the fact that, despite previous assurances from the USPS, the Postal Service subcontracted Surface Transfer Center (STC) operations in Kansas City, Chicago, Seminole/ Orlando, Atlanta, Cap Metro, Springfield, New Jersey, Northern California, and Southern California. As a result, national level disputes were filed. It appears that the USPS had designs to subcontract out all the STC operations when they

first announced their plans to redesign the STC network in February 2020. An arbitration hearing was held concerning the Kansas City STC, and the NPMHU was victorious in arbitration. Remedy discussions with the Postal Service regarding the implementation of this award have been unsuccessful. A hearing has been scheduled for October for the arbitrator to determine remedy. NPMHU is in discussions with the USPS to bring subcontracted STC work back in-house and located into RPDCs. The USPS recently reported its intention to insource STC operations in Memphis, Indianapolis, Salt Lake City and Northern California when their contract expires in September and October 2023.

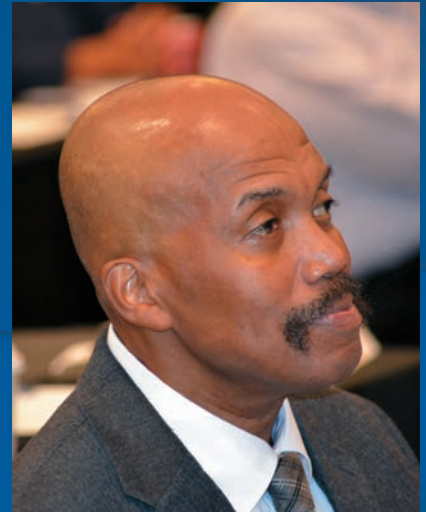
The NPMHU has also made an agreement to bring the Terminal Handling Services (THS) work back in-house. These operations send mail to and receive mail from the airlines and FedEx. The Phoenix, Anchorage, Richmond, Norfolk, Salt Lake City, Spokane, and Kansas City THS operations have already been returned to the Mail Handler craft. The next sites being considered are Atlanta and Charlotte with more to follow.

The next topic that National President Hogrogian addressed was MHA conversions to career full-time regular. The total conversions since the inception of the MHA category is 41,872. Total conversions since the signing of the Residual Vacancy Memorandum are over 39,416. In addition, the NPMHU has begun to see conversions based on the new MOU MHA Automatic Conversion to Career language in the 2022 National Agreement.

National President Hogrogian then highlighted the successes of the Election Task Force noting that the USPS processed 135 million ballots in the 2020 election and 54.4 million ballots in the 2022 mid-term election. Postal Mail Handlers help preserve the integrity of the election process by ensuring that



Local 304 President Gregory Hill



Local 298 President Wayne Foster



Local 300 President Yvette Johnson



Local 301 President Dan St. Marie



Local 303 President Eddie Cowan



Local 305 President Felandria Jackson

97.9% of ballots were delivered within 3 days and 99.7% within 5 days. The 2022 figures were even more impressive with 98.96% being delivered within 3 days and 99.82% of all mailed ballots being delivered within 5 days.

National President Hogrogian concluded his presentation by discussing the issue of 204B temporary supervisors. During the recent round of bargaining, a new MOU was negotiated concerning 204B temporary supervisors, which provides that the Postal Service develop an alternate approach to recruiting, staffing, and filling temporary supervisor positions, including the possibility of creating EAS positions. As a result, the Postal Service has begun to implement two (2) initiatives. The first is the Supervisor Apprentice Pilot Program. Under this twenty-six (26) week program, EAS-16 Supervisor Apprentice will receive training, coaching, and mentoring. Accepted applicants will be EAS and no longer in the bargaining unit from which they came. The second initiative is the establishment of Relief Supervisor jobs. Relief Supervisors provide coverage for supervisors on leave or scheduled days off. In establishing the Relief Supervisor program, Deputy Postmaster General Doug Tulino states “With the introduction of the Relief Supervisors, facilities that earn the positions will eliminate the use of acting Supervisors (also known as 204B work hours). Eliminating acting supervisors and replacing them with full-time career positions should improve our work environment, eliminate grievance activity, and stabilize our workforce.”

National President Hogrogian completed his report and opened the floor for questions.

National Secretary-Treasurer Tabarus was the next speaker. He provided a comprehensive report on a host of topics that included Mail Handler complement, regular and associate membership trends and per capita

analysis; revenue projections and allocation among our Union’s affiliated organizations; 2023 NPMHU Associate Dues increase and billing process; increase the number of Associate Dues members on Dues Check-Off; review of Cost-of-Living Allowance (COLA) for July 2023; NPMHU Revenue Sharing Program.

As part of the ongoing membership recruitment program, National Secretary-Treasurer Tabarus discussed membership trends and reviewed the recruitment tools available to Local Unions. These tools include a recruitment video available at npmhu.org (on the “Hot Topics” tab) and recommended that the video be used at Mail Handlers orientations. In addition, QR codes were provided to the Local Presidents for the recruitment videos. The Form 1187 submission process was discussed in detail, including how to submit Form 1187 to HRSSC, common errors on the Form 1187, and how to file grievances when HRSSC fails to process Form 1187 within the required timeframe in accordance with ELM 924.5 Implementation of Dues Withholdings.

National Secretary-Treasurer Tabarus reviewed NPMHU financial report (pre-audit) based on financial statements for the 1st quarter (January 1 through March 31, 2023), deficit control measures, and quarterly and annual expense and revenue analysis.

National Secretary-Treasurer Tabarus provided an update on the preparations for the 2024 NPMHU Quadrennial Convention to be held at Caesars Palace in Las Vegas, NV from August 19 through August 23, 2024. Included in the update was a review of the Election Rules for Delegates to the 2024 National Conventions, which were adopted by the National Executive Board on August 20, 2023. This information will be mailed to the Local Unions.

National Secretary-Treasurer Tabarus informed the attendees that the NPMHU is finalizing and formatting



Local 323 President Jeff Larsen



Local 311 President Charles Charleston



Local 307 President James Haggarty



Local 324 President Sharee Rogers



Local 310 President Llsa Greer



Local 312 President Troy Davis



Local 313 President Maurice Torres



Local 315 President Bryan Easley



Local 317 President James Morris



Local 302 President Anthony Coleman



Local 314 President Latonia Johnson



Local 299 President Keala Parker



Local 309 President Lisa Pruchnicki



Local 322 President Kelly Dickey



Local 318 President Nick Mosezar

the PDF version of the 2022 National Agreement. Upon conclusion of the review, the 2022 National Agreement will be printed and shipped in bulk to the Local Unions.

National Secretary-Treasurer Tabarus concluded his presentation with congratulations to the 2023-2024 NPMHU Arthur S. Vallone scholarship program awardees. The process of ordering NPMHU Merchandise on the NPMHU website. The upcoming NPMHU National meetings schedule was provided to all attendees.

The NPMHU Women's Committee Report was presented by Committee Chair and Vice President Central Region/Local 306 President June Harris. Sister Harris discussed current issues that the NPMHU Women's Committee is addressing including lactation rooms for nursing Moms and restroom accommodations for gender transitioning employees. The Committee is also preparing for the booth that they will have at the 2024 National Convention.

The assembly next heard a report from NPMHU General Counsel Matt Clash-Drexler. He reported there is no litigation or pending legal matters involving the NPMHU National Office. General Counsel Clash-Drexler reviewed National Arbitration awards status, the US Supreme Court Groff v. DeJoy decision and a pending Step 4 concerning submission Form 1187.

Legislative and Political Director Katie Maddocks provided an update on what is happening on Capitol Hill. With close political party margins in both the House and Senate, it has been difficult to garner support for legislation, even the non-controversial bills. Simple measures, including keeping the federal government funded, have proven a laborious task. However, the Union still has friends and champions on both sides of the aisle who will speak out on the need for strong service standards as they understand the value of the Postal Service and its

dedicated workforce. While the 2024 elections are more than a year away, it is important for the Mail Handlers Political Action Committee (PAC) to ensure these elected officials remain in Congress.

TUESDAY, AUGUST 22, 2023

The meeting began with the attendees receiving a comprehensive report regarding various matters related to the Mail Handlers Benefit Plan® (MHBP) from Executive Director Nina Gallauresi, Aetna Account Manager Brad Corban and Aetna Account Manager Schann Holladay. MHBP representatives provided an update on all health plan matters including enrollment trends, marketing plans for 2024 Open Season, the upcoming Postal Service Health Benefits Program, and the partial reimbursement program. The health plan presentation concluded with a review of marketing and promotional materials available to Local Unions.

Contract Administration Department Manager Teresa Harmon then provided a full report to the attendees on the activities of the Contract Administration Department since the last meeting of the Local Unions in April 2023. Sister Harmon's presentation was based on the written CAD report that was provided to the attendees and posted on the national website (npmhu.org) at the Member Resource tab, in the MAILES and Shop Stewards Resources link. The following topics were discussed in detail:

- The 2022 National Agreement
- MHA Peak Season Exception Period
- 2022 National Agreement Arbitration Panels
- Mech-Tech
- Fraudulent PostalEASE Access

The next presenter was CAD Representative Tom Ruther who



Local 325 President Dwayne Williams



Local 328 President Todd Larson



Local 329 President JR Macon



Local 330 President Bob Griffith



Local 327 President Steve Buksch



Local 297 President Chris Bernthey



General Counsel Matt Clash-Drexler



AETNA Account Manager Brad Corban



AETNA Account Manager Schann Holladay

provided a comprehensive report on the following subject matter:

- Article 12 Taskforce
- Residual Vacancies MOU
- Function 4 S&DC National Dispute
- Full Time Flexible Mail Handlers
- Priority E-Reassign
- Job Reversions
- RI 399
- High Output Parcel Sorter (HOPS) Craft Jurisdictional Determination
- Matrix Regional Sorter (MaRS)
- Ground Advantage Service

As with each of these Semi-Annual Meetings of the Local Unions, a solicitation for agenda items was distributed to all Local Union Presidents in advance of this meeting. Agenda items that were sent to the National Office were distributed to all Local Presidents prior to the meeting and, to the extent possible, the submitted agenda items were addressed in the appropriate reports and through other discussion before the assembly.

After the business session, and without any further business before the body, the Semi-Annual Meeting of the Local Unions was adjourned by National President Hogrogian.

WEDNESDAY, AUGUST 23, 2023

The attendees received comprehensive training from the Sorting and Delivery Center Job Creation Taskforce. This training provided strategies and tools for securing and arguing for the creation of Mail Handler jobs in S&DCs. The training was conducted by Eastern Region Vice President/ Local 308 President John Gibson, CAD Representative Tom Ruther, Local 318 President Nick Mosezar and Local 322 President Kelly Dickey.