

NATIONAL ASSOCIATION OF POSTAL SUPERVISORS

National Headquarters 1727 KING STREET, SUITE 400 ALEXANDRIA, VA 22314-2753 (703) 836-9660

February 26, 2024

Board Memo 029-2024: Public Meeting Notices to Facilities Regarding MPFR Results

Executive Board,

NAPS HQ has been informed of USPS intent to provide notices announcing public meetings, stand up talks, and press releases to share results and additional feedback based on Mail Processing Facility Reviews (MPFR).

Below is a list of the P&DCs along with the public meeting dates.

- Burlington, VT P&DC to Hartford, CT P&DC
 - o Date & Time: Tues., March 12th at 6pm
 - Location: Hampton Inn Burlington-Colchester, 42 Lower Mountain View Drive, Colchester, VT 05446
- Champaign, IL P&DC to South Suburban, IL P&DC and Chicago South, IL RPDC
 - o Date & Time: Tues., March 12th at 6pm
 - o Location: YMCA of the University of Illinois, 1001 Wright Street, Champaign, IL 61820
- Missoula, MT P&DC to Spokane, WA P&DC
 - o Date & Time: Fri., March 15th at 6pm
 - o Location: DoubleTree by Hilton Missoula/Edgewater, 100 Madison Street, Missoula, MT 59802
- Sioux Falls, SD P&DC to Omaha, NE P&DC
 - O Date & Time: Wed., March 13th at 2pm
 - o Location: The Social, 301 S Thompson Avenue, Sioux Falls, SD 57103

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Thank you, and be safe.

NAPS Headquarters



February 26, 2024

Mr. Ivan Butts President National Association of Postal Supervisors 1727 King Street, Suite 400 Alexandria, VA 22314-2753 Certified Mail Number 9589 0710 5270 0684 7692 76

Dear Ivan:

This is in further reference to the Postal Service's January 10 correspondence (enclosed) announcing its intent to conduct Mail Processing Facility Reviews (MPFR) at several facilities, including the four sites listed below. These reviews were conducted at the following locations to determine whether efficiency and/or service could be improved by consolidating mail processing operations into other mail processing facilities:

- Burlington, Vermont (VT) Processing and Distribution Center (P&DC) to Hartford, Connecticut (CT) P&DC
- Champaign, Illinois (IL) P&DC to South Suburban, (IL) P&DC and Chicago South, (IL) Regional Processing and Distribution Center (RPDC)
- Missoula, Montana (MT) P&DC to Spokane, Washington (WA) P&DC
- Sioux Falls, South Dakota (SD) P&DC to Omaha, Nebraska (NE) P&DC

The initial results for these four facilities support the business case for keeping each facility open and modernized as a Local Processing Center. The next step is to provide notice of a public meeting to share the initial results of the study and to allow members of the community to provide additional feedback. Enclosed are the following communication materials that are intended to be communicated today for each of the four locations:

- Stand Up Talks (SUT) to employees
- Notices of Public Meetings
- Press Releases

Please contact Paulita Wimbush at ext. 4042 if you have questions regarding the matter.

Sincerely,

For Bruce A. Nicholson

Director

Labor Relations Policies and Programs

Enclosures

475 L'ENFANT PLAZA SW WASHINGTON, DC 20260-4101

WWW.USPS.COM



January 10, 2024

Mr. Ivan Butts
President
National Association of Postal Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753

Certified Mail Number 9589 0710 5270 0684 7735 32

Dear Ivan:

This is an informational notice of the Postal Service's intent to conduct Mail Processing Facility Review (MPFR) studies in:

Abilene, Texas (TX)	Midland, Texas (TX)		
Bemidji, Minnesota (MN)	Missoula, Montana (MT)		
Brockton, Massachusetts (MA)	North Platte, Nebraska (NE)		
Burlington, Vermont (VT)	Peoria, Illinois (IL)		
Casper, Wyoming (WY)	Quad Cities, Illinois (IL)		
Champaign, Illinois (IL)	Raleigh, North Carolina (NC)		
Charleston, South Carolina (SC)	Reno, Nevada (NV)		
Corpus Christi, Texas (TX)	Santa Barbara, California (CA)		
Fresno, California (CA)	Sioux Falls, South Dakota (SD)		
Grand Junction, Colorado (CO)	South Jersey, New Jersey (NJ)		
Gulfport, Mississippi (MS)	Springfield, Illinois (IL)		
Iron Mountain, Michigan (MI)	Tulsa, Oklahoma (OK)		
Johnstown, Pennsylvania (PA)	Waterloo, Iowa (IA)		
Manchester, New Hampshire (NH)	White River Junction, Vermont (VT)		
McAllen, Texas (TX)	Yakima, Washington (WA)		

In accordance with Handbook PO-408, *Mail Processing Facility Review*, an MPFR determines the feasibility of changing mail processing operations to improve operational efficiency and/or service. An MPFR involves the consolidation of all originating and/or destinating distribution operations from one or more Post Offices/facilities into other automated processing facilities for the purpose of improving operational efficiency and/or service. The intent is to use Postal Service equipment, facilities, staff work hours and transportation more efficiently.

Specifically, feasibility studies will be conducted at thirty mail processing facilities to determine whether efficiency and/or service could be improved by consolidating some mail processing operations into other mail processing facilities. A list of the thirty facilities that will be studied is enclosed.

Enclosed are the Notices of Intent, Press Releases, Stand-Up Talks and Frequently Asked Questions that will be distributed today for the thirty facilities that will be studied.

Please contact Paulita Wimbush at extension 4042 if you have questions concerning this matter.

Sincerely,

Bruce A. Nicholson

Director

Labor Relations Policies and Programs

Enclosures

Facilities to Be Studied (MPFR)	Transfer Some Operations to
ABILENE TX P&DC	NORTH TEXAS TX P&DC
BEMIDJI MN P&DC	FARGO ND P&DC
BROCKTON MA P&DC	PROVIDENCE RI P&DC
BURLINGTON VT P&DC	HARTFORD CT P&DC
CASPER WY P&DC	BILLINGS MT P&DC
CHAMPAIGN IL P&DC	SOUTH SUBURBAN IL P&DC CHICAGO SOUTH IL RPDC
CHARLESTON SC P&DC	COLUMBIA SC P&DC
CORPUS CHRISTI TX P&DC	SAN ANTONIO TX P&DC
FRESNO CA P&DC	SACRAMENTO CA P&DC
GRAND JUNCTION CO P&DC	DENVER CO P&DC
GULFPORT MS P&DC	JACKSON MS P&DC
IRON MOUNTAIN MI P&DC	GREEN BAY WI P&DC
JOHNSTOWN PA P&DC	PITTSBURGH PA P&DC
MANCHESTER NH P&DC	BOSTON MA P&DC SOUTHERN ME P&DC
MCALLEN TX P&DC	SAN ANTONIO TX P&DC
MIDLAND TX P&DC	AMARILLO TX P&DC
MISSOULA MT P&DC	SPOKANE WA P&DC
NORTH PLATTE NE P&DC	DENVER CO P&DC
PEORIA IL P&DC	SOUTH SUBURBAN IL P&DC
QUAD CITIES IL P&DC	DES MOINES IA P&DC
RALEIGH NC P&DC	GREENSBORO RPDC
RENO NV P&DC	SACRAMENTO CA P&DC
SANTA BARBARA CA P&DC	SANTA CLARITA CA P&DC
SIOUX FALLS SD P&DC	OMAHA NE P&DC
SO JERSEY NJ P&DC	PHILADELPHIA PA P&DC
SPRINGFIELD IL P&DC	ST LOUIS MO P&DC
TULSA OK P&DC	OKLAHOMA CITY OK P&DC
WATERLOO IA P&DC	DES MOINES IA P&DC
WHITE RIVER JUNC VT P&DC	HARTFORD CT P&DC
YAKIMA WA P&DC	SEATTLE WA P&DC

Mail Processing Facility Review Notice of Public Input Meeting

Missoula P&DC in Missoula MT to Spokane P&DC in Spokane WA

February 26, 2024

As part of a \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks, the U.S. Postal Service announced that it is conducting an evaluation of current operations and potential future uses of its Missoula Processing and Distribution Center (P&DC) facility in Missoula MT.

The USPS ten-year Delivering for America (DFA) plan includes initiatives to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

This specific facility review will inform the best allocation of resources and strategies to improve customer service and to achieve significant cost savings through operational precision and efficiency. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be unaffected throughout this review. The evaluation is a first step in the Postal Service review and investment process in this facility and will not result in this facility's closure or career employee layoffs.

Public input will be considered as part of the review. A public meeting will be held to share the initial results of the study and to allow members of the local community to provide their feedback and perspectives on the Initial Findings of the MPFR. The meeting will be held on Friday, March 15, 6:00 PM at the DoubleTree by Hilton Missoula/Edgewater, 100 Madison St, Missoula, MT 59802. A summary of the MPFR will be posted on *about.usps.com* at least one week prior to the public input meeting.

Members of the local community may submit comments at: https://www.surveymonkey.com/r/mpfr-missoula-mt.

Below are some preliminary highlights from the study:

Business Case

The Postal Service is investing heavily in operations as it moves to modernize the nation's postal network, improve customer service, and achieve the organization's goal of 95% on-time delivery across all mail products.

The initial results of the facility review support the business case for keeping the Missoula P&DC open and modernizing the facility as a Local Processing Center (LPC) with simplified processes and standardized layouts. The Missoula LPC will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem. The facility will offer expanded and streamlined package processing capabilities in the local market and new workplace amenities for USPS employees. Additionally, the business case supports transferring some mail processing operations to the Spokane P&DC in Spokane WA.

Future of Facility

The Missoula P&DC will remain open and will be modernized. It will be repositioned as a Local Processing Center for destinating mail processing. It is expected that this facility will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem.

Local Customers

- Retail and other services currently available at the Missoula P&DC will not change.
- Business mail acceptance will remain the same.
- A local postmark will continue to be available at retail post offices.
- Delivery times of mail to residence and businesses should not change throughout this review.

Commercial Mailers

- Mailers who presort mail will continue to receive appropriate postage discounts.
- Mailers who drop ship to Destination Sectional Center Facility (DSCF) can expect no changes if the MPFR is approved.

Please go to https://www.surveymonkey.com/r/mpfr-missoula-mt to submit written comments. All written comments must be received by March 30, 2024.



POSTAL NEWS

FOR IMMEDIATE RELEASE Feb. 26, 2024

Contact: Kim Frum kimberly.a.frum@usps.gov











USPS Proposes Improvements to Mail Operations at Missoula Processing Facility

Facility to remain open and modernized as a Local Processing Center to improve mail and package flow through the region

Investments part of USPS 10-year Delivering for America plan to modernize the nation's aging postal network

Public meeting to be held Mar. 15

MISSOULA, MT — As part of a \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks, the U.S. Postal Service is conducting an evaluation of current operations and potential future uses of its Missoula Processing and Distribution Center (P&DC) facility in Missoula, MT.

The USPS ten-year Delivering for America (DFA) plan includes initiatives to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

This specific facility review will inform the best allocation of resources and strategies to improve customer service and to achieve significant cost savings through operational precision and efficiency. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be unaffected throughout this review. The evaluation is a first step in the Postal Service review and investment process in this facility and will not result in this facility's closure or career employee layoffs.

The initial results of the facility review support the business case for keeping the Missoula facility open and modernizing the facility as a Local Processing Center (LPC). The Missoula LPC will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem. The facility will offer expanded and streamlined package processing capabilities in the local market and new workplace amenities for USPS employees – part of the Postal Service's \$40 billion investment in the nation's aging postal network.

Additionally, the business case supports transferring some mail processing operations to the Spokane P&DC in Spokane, WA. This would mean a significant percentage of the mail collected locally will travel across the wider USPS transportation and processing network over significant distances to reach their final destinations in a more efficient manner. Mail and packages destined for outside the local area may receive better service and be more cost effectively distributed by aggregating it with mail and packages from other areas going to the same places that will likewise utilize the wider postal network and be transported significant distances from where the mail originated.

A public meeting will be held on Friday, Mar. 15, 6:00 PM at the DoubleTree by Hilton Missoula/Edgewater, 100 Madison St, Missoula, MT 59802. USPS will share the initial results of the study and allow members of the community to provide oral feedback and perspectives on the Initial Findings of the MPFR. A summary of the MPFR will be posted on *about.usps.com* at least one week prior to public input meeting. Members of the local community may submit written comments at https://www.surveymonkey.com/r/mpfr-missoula-mt through Mar. 30, 2024. The public's input will be considered prior to a final decision.

The Postal Service will work closely with its unions and management associations throughout the facility review and will continually monitor the impact of any changes that are implemented and will adjust plans as necessary and appropriate.

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Please Note: The United States Postal Service is an independent federal establishment, mandated to be self-financing and to serve every American community through the affordable, reliable and secure delivery of mail and packages to 167 million addresses six and often seven days a week. Overseen by a bipartisan Board of Governors, the Postal Service is implementing a 10-year transformation plan, *Delivering for America*, to modernize the postal network, restore long-term financial sustainability, dramatically improve service across all mail and shipping categories, and maintain the organization as one of America's most valued and trusted brands.

The Postal Service generally receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations.

For USPS media resources, including broadcast-quality video and audio and photo stills, visit the <u>USPS Newsroom</u>. Follow us on <u>Twitter, Instagram, Pinterest</u> and <u>LinkedIn</u>. Subscribe to the <u>USPS YouTube channel</u>, like us on <u>Facebook</u> and enjoy our <u>Postal Posts blog</u>. For more information about the Postal Service, visit <u>usps.com</u> and <u>facts.usps.com</u>.

Stand-Up Talk February 26, 2024

Mail Processing Facility Review
Public Meeting to be held re: Missoula P&DC

On January 10, we shared that we were beginning an evaluation of current operations and potential future uses for this facility. This review is part of our 10-year strategic Delivering for America plan and our \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks.

The USPS ten-year Delivering for America (DFA) plan includes initiatives to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

This specific facility review will inform the best allocation of resources and strategies to improve customer service and to achieve significant cost savings through operational precision and efficiency. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be unaffected throughout this review. The evaluation is a first step in the Postal Service review and investment process in this facility and will not result in this facility's closure or career employee layoffs.

The initial results of the facility review support the business case for keeping this facility open and modernized as a Local Processing Center (LPC). Repurposing this facility as a Local Processing Center is consistent with the broader network redesign outlined in the DFA Plan. The Missoula LPC will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem. It will result in a revitalized, modernized, and upgraded facility with improved employee amenities and a better working environment.

Additionally, the business case supports transferring some mail processing operations to the Spokane P&DC in Spokane, WA. This will mean, a significant percentage of the mail collected here will travel across our wider transportation and processing network over significant distances to reach their final destinations in a more efficient manner. Mail and packages destined for outside our local area may receive better service and be more cost effectively distributed by aggregating it with mail and packages from other areas going to the same places that will likewise utilize the wider postal network and be transported significant distances from where the mail originated.

As updates are made to the facility and its operations, there will be no career employee layoffs.

The Postal Service will hold a public meeting to allow the local community to provide their feedback and perspectives on the Initial Findings of the review on Friday, March 15, 6:00 PM at the DoubleTree by Hilton Missoula/Edgewater, 100 Madison St, Missoula, MT 59802. Attendance will be voluntary and off-the-clock for employees who choose to attend.

Comments on the proposal from employees and the public will be considered before any decision is made. Comments may be submitted at https://www.surveymonkey.com/r/mpfr-missoula-mt. You can submit your comments on the study up to 15 days after the public meeting.

Thank you for your attention. We will keep you updated as we move through the facility review process and additional initiatives to modernize our postal network.

MAIL PROCESSING FACILITY REVIEW FREQUENTLY ASKED QUESTIONS

1. Why is USPS conducting a review of this facility?

This review is part of a \$40 billion investment strategy to upgrade and improve processing, transportation, delivery networks and employee experiences across the country. The Missoula Processing and Distribution Center (P&DC) facility has been selected as a candidate for evaluation of its current operations and potential future uses that may lead to overall modernization and enhancement initiatives at the facility.

The review will not result in this facility's closure or career employee layoffs.

2. What did the MPFR evaluate?

In connection with the review, the Postal Service evaluated the following:

- a. Whether efficiency could be increased by transferring some mail processing operations currently performed at the Missoula P&DC to the Spokane P&DC. A significant percentage of the mail collected in Missoula will travel across our wider transportation and processing network over significant distances to reach their final destinations. Mail and packages destined for outside the Missoula area may receive better service and be more cost effectively distributed by aggregating it with mail and packages from other areas going to the same places that will likewise utilize the wider postal network and be transported significant distances from where the mail originated.
- b. Whether efficiency can be increased, and service improved, regardless of any determination to transfer some mail processing operations out of the Missoula facility, by investing in the Missoula facility to redesign mail processing operations to accommodate changing mail products and mail flow with modern operating strategies, equipment, and improved employee amenities.
- c. Whether efficiency can be improved and/or service enhanced, regardless of any determination to transfer some mail processing operations out of the Missoula facility, by expanding operations at the facility including adding Sorting & Delivery Center functions currently being deployed throughout the nation, incorporating expanded retail functions currently being evaluated and deployed throughout the nation, and/or increasing local package delivery functions including local transportation initiatives supporting new products being introduced.

3. When will a final decision be announced?

The Postal Service anticipates communicating initial findings in the coming month or two.

4. What does the facility review mean for local employees?

The review will not result in career employee layoffs. Our DFA plan is focused on improving the workplace experience for all employees by investing in facility conditions – including better space and lighting. Throughout the review process, we will continue to communicate regularly with the unions and management associations to support local employees as appropriate.

5. How can the public provide input in the process?

Members of the local community may provide feedback and perspectives on the Initial Findings of the MPFR at a public meeting to be held on Friday, March 15, 6:00 PM at the DoubleTree by Hilton Missoula/Edgewater, 100 Madison St, Missoula, MT 59802, or submit comments at https://www.surveymonkey.com/r/mpfr-missoula-mt. A summary of the MPFR will be posted on about.usps.com at least one week prior to the public input meeting.

6. How will local Post Office or retail operations be impacted by the review process?

The purpose of conducting this review and implementing our 10-year strategic plan is to improve service delivery and our overall retail experience. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will not slow down as a result of this review.

7. What would repurposing this facility look like?

While it may be determined that moving some mail processing operations from this facility is a good business decision, it is highly likely under those circumstances that the facility will be modernized and repurposed as a Local Processing Center, a Sorting & Delivery Center, or both, consistent with the broader network redesign outlined in the DFA Plan. Any such repurposing will result in a revitalized, modernized, and upgraded facility with improved employee amenities and a better working environment.

8. What is a Local Processing Center (LPC)?

Local Processing Centers are critical nodes in our new end-to-end network model. They are the connective node between Regional Processing & Distribution Centers (RPDCs) to Sorting & Delivery Centers – and will ensure a streamlined flow of mail and packages in a logical and integrated manner. As an LPC, the facility amenities – including lighting, space, and bathrooms – would be improved.

9. What is a Sorting & Delivery Center (S&DC)?

Within a region, S&DCs will expand our network reach. S&DCs will aggregate delivery units into fewer, larger, and centrally located sites to provide faster and more reliable mail and package delivery over a greater geographic area, as compared to traditional delivery units.

As with RPDCs, S&DCs will be repurposed existing facilities as well as new buildings. In each S&DC, we will install package sorting equipment to reduce manual handlings and improve throughput. Employee amenities such as lighting, bathrooms, and breakrooms, will also be improved.

We have opened 31 S&DCs since the DFA plan launched. We plan to open another 36 in coming months.

10. What are the long-term benefits of implementing the Delivering for America Plan and modernizing the postal network?

There are many benefits derived from realizing the Delivering for America 10-year Plan. Implementation of the plan will lead to a better everything including better service performance for our customers; better employee morale and retention rates; better facility conditions; a better carbon footprint; better sequencing of mail and packages; better opportunities for our customers to reach a larger population in less time, and overall, a better customer experience.

Mail Processing Facility Review Notice of Public Input Meeting

Champaign P&DC in Champaign IL to South Suburban P&DC in Bedford Park IL and Chicago South RPDC in Forest Park IL

February 26, 2024

As part of a \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks, the U.S. Postal Service announced that it is conducting an evaluation of current operations and potential future uses of its Champaign Processing and Distribution Center (P&DC) facility in Champaign IL.

The USPS ten-year Delivering for America (DFA) plan includes initiatives to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

This specific facility review will inform the best allocation of resources and strategies to improve customer service and to achieve significant cost savings through operational precision and efficiency. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be unaffected throughout this review. The evaluation is a first step in the Postal Service review and investment process in this facility and will not result in this facility's closure or career employee layoffs.

Public input will be considered as part of the review. A public meeting will be held to share the initial results of the study and to allow members of the local community to provide their feedback and perspectives on the Initial Findings of the MPFR. The meeting will be held on Tuesday, March 12, 6:00 PM at the YMCA of the University of Illinois, 1001 Wright St, Champaign, IL 61820. A summary of the MPFR will be posted on *about.usps.com* at least one week prior to the public input meeting.

Members of the local community may submit comments at: https://www.surveymonkey.com/r/mpfr-champaign-il.

Below are some preliminary highlights from the study:

Business Case

The Postal Service is investing heavily in operations as it moves to modernize the nation's postal network, improve customer service, and achieve the organization's goal of 95% on-time delivery across all mail products.

The initial results of the facility review support the business case for keeping the Champaign P&DC open and modernizing the facility as a Local Processing Center (LPC) with simplified processes and standardized layouts. The Champaign LPC will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem. The facility will offer expanded and streamlined package processing capabilities in the local market and new workplace amenities for USPS employees. Additionally, the business case supports transferring some mail processing operations to the South Suburban P&DC in Bedford Park IL and the Chicago South Regional Processing and Distribution Center (RPDC) in Forest Park IL.

Future of Facility

The Champaign P&DC will remain open and will be modernized. It will be repositioned as a Local Processing Center for destinating mail processing. It is expected that this facility will be a critical node to

the unified movement of mail and packages across the regional processing and transportation ecosystem.

Local Customers

- Retail and other services currently available at the Champaign P&DC will not change.
- Business mail acceptance will remain the same.
- A local postmark will continue to be available at retail post offices.
- Delivery times of mail to residence and businesses should not change throughout this review.

Commercial Mailers

- Mailers who presort mail will continue to receive appropriate postage discounts.
- Mailers who drop ship to Destination Sectional Center Facility (DSCF) can expect no changes if the MPFR is approved.

Please go to https://www.surveymonkey.com/r/mpfr-champaign-il to submit written comments. All written comments must be received by March 27, 2024.



POSTAL NEWS

FOR IMMEDIATE RELEASE Feb. 26, 2024

Contact: Tim Norman timothy.j.norman@usps.gov











USPS Proposes Improvements to Mail Operations at Champaign Processing Facility

Facility to remain open and modernized as a Local Processing Center to improve mail and package flow through the region

Investments part of USPS 10-year Delivering for America plan to modernize the nation's aging postal network

Public meeting to be held Mar. 12

CHAMPAIGN, IL — As part of a \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks, the U.S. Postal Service is conducting an evaluation of current operations and potential future uses of its Champaign Processing and Distribution Center (P&DC) facility in Champaign, IL.

The USPS ten-year Delivering for America (DFA) plan includes initiatives to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

This specific facility review will inform the best allocation of resources and strategies to improve customer service and to achieve significant cost savings through operational precision and efficiency. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be unaffected throughout this review. The evaluation is a first step in the Postal Service review and investment process in this facility and will not result in this facility's closure or career employee layoffs.

The initial results of the facility review support the business case for keeping the Champaign facility open and modernizing the facility as a Local Processing Center (LPC). The Champaign LPC will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem. The facility will offer expanded and streamlined package processing capabilities in the local market and new workplace amenities for USPS employees - part of the Postal Service's \$40 billion investment in the nation's aging postal network.

Additionally, the business case supports transferring some mail processing operations to the South Suburban P&DC in Bedford Park, IL and the Chicago South Regional Processing and Distribution Center (RPDC) in Forest Park, IL. This would mean a significant percentage of the mail collected locally will travel across the wider USPS transportation and processing network over significant distances to reach their final destinations in a more efficient manner. Mail and packages destined for outside the local area may receive better service and be more cost effectively distributed by aggregating it with mail and

packages from other areas going to the same places that will likewise utilize the wider postal network and be transported significant distances from where the mail originated.

A public meeting will be held on Tuesday, Mar. 12, 6:00 PM at the YMCA of the University of Illinois, 1001 Wright St, Champaign, IL 61820. USPS will share the initial results of the study and allow members of the community to provide oral feedback and perspectives on the Initial Findings of the MPFR. A summary of the MPFR will be posted on *about.usps.com* at least one week prior to public input meeting. Members of the local community may submit written comments at https://www.surveymonkey.com/r/mpfr-champaign-il through Mar. 27, 2024. The public's input will be considered prior to a final decision.

The Postal Service will work closely with its unions and management associations throughout the facility review and will continually monitor the impact of any changes that are implemented and will adjust plans as necessary and appropriate.

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Please Note: The United States Postal Service is an independent federal establishment, mandated to be self-financing and to serve every American community through the affordable, reliable and secure delivery of mail and packages to 167 million addresses six and often seven days a week. Overseen by a bipartisan Board of Governors, the Postal Service is implementing a 10-year transformation plan, *Delivering for America*, to modernize the postal network, restore long-term financial sustainability, dramatically improve service across all mail and shipping categories, and maintain the organization as one of America's most valued and trusted brands.

The Postal Service generally receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations.

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Stand-Up Talk February 26, 2024

Mail Processing Facility Review
Public Meeting to be held re: Champaign P&DC

On January 10, we shared that we were beginning an evaluation of current operations and potential future uses for this facility. This review is part of our 10-year strategic Delivering for America plan and our \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks.

The USPS ten-year Delivering for America (DFA) plan includes initiatives to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

This specific facility review will inform the best allocation of resources and strategies to improve customer service and to achieve significant cost savings through operational precision and efficiency. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be unaffected throughout this review. The evaluation is a first step in the Postal Service review and investment process in this facility and will not result in this facility's closure or career employee layoffs.

The initial results of the facility review support the business case for keeping this facility open and modernized as a Local Processing Center (LPC). Repurposing this facility as a Local Processing Center is consistent with the broader network redesign outlined in the DFA Plan. The Champaign LPC will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem. It will result in a revitalized, modernized, and upgraded facility with improved employee amenities and a better working environment.

Additionally, the business case supports transferring some mail processing operations to the South Suburban P&DC in Bedford Park, IL and the Chicago South Regional Processing and Distribution Center (RPDC) in Forest Park, IL. This will mean, a significant percentage of the mail collected here will travel across our wider transportation and processing network over significant distances to reach their final destinations in a more efficient manner. Mail and packages destined for outside our local area may receive better service and be more cost effectively distributed by aggregating it with mail and packages from other areas going to the same places that will likewise utilize the wider postal network and be transported significant distances from where the mail originated.

As updates are made to the facility and its operations, there will be no career employee layoffs.

The Postal Service will hold a public meeting to allow the local community to provide their feedback and perspectives on the Initial Findings of the review on Tuesday, March 12, 6:00 PM at the YMCA of the University of Illinois, 1001 Wright St, Champaign, IL 61820. Attendance will be voluntary and off-the-clock for employees who choose to attend.

Comments on the proposal from employees and the public will be considered before any decision is made. Comments may be submitted at https://www.surveymonkey.com/r/mpfr-champaign-il. You can submit your comments on the study up to 15 days after the public meeting.

Thank you for your attention. We will keep you updated as we move through the facility review process and additional initiatives to modernize our postal network.

MAIL PROCESSING FACILITY REVIEW FREQUENTLY ASKED QUESTIONS

1. Why is USPS conducting a review of this facility?

This review is part of a \$40 billion investment strategy to upgrade and improve processing, transportation, delivery networks and employee experiences across the country. The Champaign Processing and Distribution Center (P&DC) facility has been selected as a candidate for evaluation of its current operations and potential future uses that may lead to overall modernization and enhancement initiatives at the facility.

The review will not result in this facility's closure or career employee layoffs.

2. What did the MPFR evaluate?

In connection with the review, the Postal Service evaluated the following:

- a. Whether efficiency could be increased by transferring some mail processing operations currently performed at the Champaign P&DC to the South Suburban P&DC and the Chicago South RPDC. A significant percentage of the mail collected in Champaign will travel across our wider transportation and processing network over significant distances to reach their final destinations. Mail and packages destined for outside the Champaign area may receive better service and be more cost effectively distributed by aggregating it with mail and packages from other areas going to the same places that will likewise utilize the wider postal network and be transported significant distances from where the mail originated.
- b. Whether efficiency can be increased, and service improved, regardless of any determination to transfer some mail processing operations out of the Champaign facility, by investing in the Champaign facility to redesign mail processing operations to accommodate changing mail products and mail flow with modern operating strategies, equipment, and improved employee amenities.
- c. Whether efficiency can be improved and/or service enhanced, regardless of any determination to transfer some mail processing operations out of the Champaign facility, by expanding operations at the facility including adding Sorting & Delivery Center functions currently being deployed throughout the nation, incorporating expanded retail functions currently being evaluated and deployed throughout the nation, and/or increasing local package delivery functions including local transportation initiatives supporting new products being introduced.

3. When will a final decision be announced?

The Postal Service anticipates communicating initial findings in the coming month or two.

4. What does the facility review mean for local employees?

The review will not result in career employee layoffs. Our DFA plan is focused on improving the workplace experience for all employees by investing in facility conditions – including better

space and lighting. Throughout the review process, we will continue to communicate regularly with the unions and management associations to support local employees as appropriate.

5. How can the public provide input in the process?

Members of the local community may provide feedback and perspectives on the Initial Findings of the MPFR at a public meeting to be held on Tuesday, March 12, 6:00 PM at the YMCA of the University of Illinois, 1001 Wright St, Champaign, IL 61820, or submit comments at https://www.surveymonkey.com/r/mpfr-champaign-il. A summary of the MPFR will be posted on about.usps.com at least one week prior to the public input meeting.

6. How will local Post Office or retail operations be impacted by the review process?

The purpose of conducting this review and implementing our 10-year strategic plan is to improve service delivery and our overall retail experience. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will not slow down as a result of this review.

7. What would repurposing this facility look like?

While it may be determined that moving some mail processing operations from this facility is a good business decision, it is highly likely under those circumstances that the facility will be modernized and repurposed as a Local Processing Center, a Sorting & Delivery Center, or both, consistent with the broader network redesign outlined in the DFA Plan. Any such repurposing will result in a revitalized, modernized, and upgraded facility with improved employee amenities and a better working environment.

8. What is a Local Processing Center (LPC)?

Local Processing Centers are critical nodes in our new end-to-end network model. They are the connective node between Regional Processing & Distribution Centers (RPDCs) to Sorting & Delivery Centers – and will ensure a streamlined flow of mail and packages in a logical and integrated manner. As an LPC, the facility amenities – including lighting, space, and bathrooms – would be improved.

9. What is a Sorting & Delivery Center (S&DC)?

Within a region, S&DCs will expand our network reach. S&DCs will aggregate delivery units into fewer, larger, and centrally located sites to provide faster and more reliable mail and package delivery over a greater geographic area, as compared to traditional delivery units.

As with RPDCs, S&DCs will be repurposed existing facilities as well as new buildings. In each S&DC, we will install package sorting equipment to reduce manual handlings and improve throughput. Employee amenities such as lighting, bathrooms, and breakrooms, will also be improved.

We have opened 31 S&DCs since the DFA plan launched. We plan to open another 36 in coming months.

10. What are the long-term benefits of implementing the Delivering for America Plan and modernizing the postal network?

There are many benefits derived from realizing the Delivering for America 10-year Plan. Implementation of the plan will lead to a better everything including better service performance for our customers; better employee morale and retention rates; better facility conditions; a better carbon footprint; better sequencing of mail and packages; better opportunities for our customers to reach a larger population in less time, and overall, a better customer experience.

Mail Processing Facility Review Notice of Public Input Meeting

Burlington P&DC in Essex Junction VT to Hartford P&DC in Hartford CT

February 26, 2024

As part of a \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks, the U.S. Postal Service announced that it is conducting an evaluation of current operations and potential future uses of its Burlington Processing and Distribution Center (P&DC) facility in Essex Junction VT.

The USPS ten-year Delivering for America (DFA) plan includes initiatives to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

This specific facility review will inform the best allocation of resources and strategies to improve customer service and to achieve significant cost savings through operational precision and efficiency. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be unaffected throughout this review. The evaluation is a first step in the Postal Service review and investment process in this facility and will not result in this facility's closure or career employee layoffs.

Public input will be considered as part of the review. A public meeting will be held to share the initial results of the study and to allow members of the local community to provide their feedback and perspectives on the Initial Findings of the MPFR. The meeting will be held on Tuesday, March 12, 6:00 PM at the Hampton Inn Burlington-Colchester, 42 Lower Mountain View Drive, Colchester VT 05446. A summary of the MPFR will be posted on *about.usps.com* at least one week prior to the public input meeting.

Members of the local community may submit comments at: https://www.surveymonkey.com/r/mpfr-burlington-vt.

Below are some preliminary highlights from the study:

Business Case

The Postal Service is investing heavily in operations as it moves to modernize the nation's postal network, improve customer service, and achieve the organization's goal of 95% on-time delivery across all mail products.

The initial results of the facility review support the business case for keeping the Burlington P&DC open and modernizing the facility as a Local Processing Center (LPC) with simplified processes and standardized layouts. The Burlington LPC will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem. The facility will offer expanded and streamlined package processing capabilities in the local market and new workplace amenities for USPS employees. Additionally, the business case supports transferring some mail processing operations to the Hartford P&DC in Hartford CT.

Future of Facility

The Burlington P&DC will remain open and will be modernized. It will be repositioned as a Local Processing Center for destinating mail processing. It is expected that this facility will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem.

Local Customers

- Retail and other services currently available at the Burlington P&DC will not change.
- Business mail acceptance will remain the same.
- A local postmark will continue to be available at retail post offices.
- Delivery times of mail to residence and businesses should not change throughout this review.

Commercial Mailers

- Mailers who presort mail will continue to receive appropriate postage discounts.
- Mailers who drop ship to Destination Sectional Center Facility (DSCF) can expect no changes if the MPFR is approved.

Please go to https://www.surveymonkey.com/r/mpfr-burlington-vt to submit written comments. All written comments must be received by March 27, 2024.



POSTAL NEWS

FOR IMMEDIATE RELEASE Feb. 26, 2024

Contact: Stephen Doherty Stephen.N.Doherty@usps.gov











USPS Proposes Improvements to Mail Operations at Burlington Processing Facility

Facility to remain open and modernized as a Local Processing Center to improve mail and package flow through the region

Investments part of USPS 10-year Delivering for America plan to modernize the nation's aging postal network

Public meeting to be held Mar. 12

ESSEX JUNCTION, VT — As part of a \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks, the U.S. Postal Service is conducting an evaluation of current operations and potential future uses of its Burlington Processing and Distribution Center (P&DC) facility in Essex Junction, VT.

The USPS ten-year Delivering for America (DFA) plan includes initiatives to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

This specific facility review will inform the best allocation of resources and strategies to improve customer service and to achieve significant cost savings through operational precision and efficiency. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be unaffected throughout this review. The evaluation is a first step in the Postal Service review and investment process in this facility and will not result in this facility's closure or career employee layoffs.

The initial results of the facility review support the business case for keeping the Burlington facility open and modernizing the facility as a Local Processing Center (LPC). The Burlington LPC will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem. The facility will offer expanded and streamlined package processing capabilities in the local market and new workplace amenities for USPS employees - part of the Postal Service's \$40 billion investment in the nation's aging postal network.

Additionally, the business case supports transferring some mail processing operations to the Hartford P&DC in Hartford, CT. This would mean a significant percentage of the mail collected locally will travel across the wider USPS transportation and processing network over significant distances to reach their final destinations in a more efficient manner. Mail and packages destined for outside the local area may receive better service and be more cost effectively distributed by aggregating it with mail and packages from other areas going to the same places that will likewise utilize the wider postal network and be transported significant distances from where the mail originated.

A public meeting will be held on Tuesday, Mar. 12, 6:00 PM at the Hampton Inn Burlington-Colchester, 42 Lower Mountain View Drive, Colchester VT 05446. USPS will share the initial results of the study and allow members of the community to provide oral feedback and perspectives on the Initial Findings of the MPFR. A summary of the MPFR will be posted on *about.usps.com* at least one week prior to public input meeting. Members of the local community may submit written comments at https://www.surveymonkey.com/r/mpfr-burlington-vt through Mar. 27, 2024. The public's input will be considered prior to a final decision.

The Postal Service will work closely with its unions and management associations throughout the facility review and will continually monitor the impact of any changes that are implemented and will adjust plans as necessary and appropriate.

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Please Note: The United States Postal Service is an independent federal establishment, mandated to be self-financing and to serve every American community through the affordable, reliable and secure delivery of mail and packages to 167 million addresses six and often seven days a week. Overseen by a bipartisan Board of Governors, the Postal Service is implementing a 10-year transformation plan, *Delivering for America*, to modernize the postal network, restore long-term financial sustainability, dramatically improve service across all mail and shipping categories, and maintain the organization as one of America's most valued and trusted brands.

The Postal Service generally receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations.

For USPS media resources, including broadcast-quality video and audio and photo stills, visit the <u>USPS Newsroom</u>. Follow us on <u>Twitter, Instagram, Pinterest</u> and <u>LinkedIn</u>. Subscribe to the <u>USPS YouTube channel</u>, like us on <u>Facebook</u> and enjoy our <u>Postal Posts blog</u>. For more information about the Postal Service, visit <u>usps.com</u> and <u>facts.usps.com</u>.

Stand-Up Talk February 26, 2024

Mail Processing Facility Review
Public Meeting to be held re: Burlington P&DC

On January 10, we shared that we were beginning an evaluation of current operations and potential future uses for this facility. This review is part of our 10-year strategic Delivering for America plan and our \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks.

The USPS ten-year Delivering for America (DFA) plan includes initiatives to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

This specific facility review will inform the best allocation of resources and strategies to improve customer service and to achieve significant cost savings through operational precision and efficiency. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be unaffected throughout this review. The evaluation is a first step in the Postal Service review and investment process in this facility and will not result in this facility's closure or career employee layoffs.

The initial results of the facility review support the business case for keeping this facility open and modernized as a Local Processing Center (LPC). Repurposing this facility as a Local Processing Center is consistent with the broader network redesign outlined in the DFA Plan. The Burlington LPC will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem. It will result in a revitalized, modernized, and upgraded facility with improved employee amenities and a better working environment.

Additionally, the business case supports transferring some mail processing operations to the Hartford P&DC in Hartford, CT. This will mean, a significant percentage of the mail collected here will travel across our wider transportation and processing network over significant distances to reach their final destinations in a more efficient manner. Mail and packages destined for outside our local area may receive better service and be more cost effectively distributed by aggregating it with mail and packages from other areas going to the same places that will likewise utilize the wider postal network and be transported significant distances from where the mail originated.

As updates are made to the facility and its operations, there will be no career employee layoffs.

The Postal Service will hold a public meeting to allow the local community to provide their feedback and perspectives on the Initial Findings of the review on Tuesday, March 12, 6:00 PM at the Hampton Inn Burlington-Colchester, 42 Lower Mountain View Drive, Colchester VT 05446. Attendance will be voluntary and off-the-clock for employees who choose to attend.

Comments on the proposal from employees and the public will be considered before any decision is made. Comments may be submitted at https://www.surveymonkey.com/r/mpfr-burlington-vt. You can submit your comments on the study up to 15 days after the public meeting.

Thank you for your attention. We will keep you updated as we move through the facility review process and additional initiatives to modernize our postal network.

MAIL PROCESSING FACILITY REVIEW FREQUENTLY ASKED QUESTIONS

1. Why is USPS conducting a review of this facility?

This review is part of a \$40 billion investment strategy to upgrade and improve processing, transportation, delivery networks and employee experiences across the country. The Burlington Processing and Distribution Center (P&DC) facility has been selected as a candidate for evaluation of its current operations and potential future uses that may lead to overall modernization and enhancement initiatives at the facility.

The review will not result in this facility's closure or career employee layoffs.

2. What did the MPFR evaluate?

In connection with the review, the Postal Service evaluated the following:

- a. Whether efficiency could be increased by transferring some mail processing operations currently performed at the Burlington P&DC to the Hartford P&DC. A significant percentage of the mail collected in Burlington will travel across our wider transportation and processing network over significant distances to reach their final destinations. Mail and packages destined for outside the Burlington area may receive better service and be more cost effectively distributed by aggregating it with mail and packages from other areas going to the same places that will likewise utilize the wider postal network and be transported significant distances from where the mail originated.
- b. Whether efficiency can be increased, and service improved, regardless of any determination to transfer some mail processing operations out of the Burlington facility, by investing in the Burlington facility to redesign mail processing operations to accommodate changing mail products and mail flow with modern operating strategies, equipment, and improved employee amenities.
- c. Whether efficiency can be improved and/or service enhanced, regardless of any determination to transfer some mail processing operations out of the Burlington facility, by expanding operations at the facility including adding Sorting & Delivery Center functions currently being deployed throughout the nation, incorporating expanded retail functions currently being evaluated and deployed throughout the nation, and/or increasing local package delivery functions including local transportation initiatives supporting new products being introduced.

3. When will a final decision be announced?

The Postal Service anticipates communicating initial findings in the coming month or two.

4. What does the facility review mean for local employees?

The review will not result in career employee layoffs. Our DFA plan is focused on improving the workplace experience for all employees by investing in facility conditions – including better space and lighting. Throughout the review process, we will continue to communicate regularly with the unions and management associations to support local employees as appropriate.

5. How can the public provide input in the process?

Members of the local community may provide feedback and perspectives on the Initial Findings of the MPFR at a public meeting to be held on Tuesday, March 12, 6:00 PM at the Hampton Inn Burlington-Colchester, 42 Lower Mountain View Drive, Colchester VT 05446 or submit comments at https://www.surveymonkey.com/r/mpfr-burlington-vt. A summary of the MPFR will be posted on about.usps.com at least one week prior to the public input meeting.

6. How will local Post Office or retail operations be impacted by the review process?

The purpose of conducting this review and implementing our 10-year strategic plan is to improve service delivery and our overall retail experience. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will not slow down as a result of this review.

7. What would repurposing this facility look like?

While it may be determined that moving some mail processing operations from this facility is a good business decision, it is highly likely under those circumstances that the facility will be modernized and repurposed as a Local Processing Center, a Sorting & Delivery Center, or both, consistent with the broader network redesign outlined in the DFA Plan. Any such repurposing will result in a revitalized, modernized, and upgraded facility with improved employee amenities and a better working environment.

8. What is a Local Processing Center (LPC)?

Local Processing Centers are critical nodes in our new end-to-end network model. They are the connective node between Regional Processing & Distribution Centers (RPDCs) to Sorting & Delivery Centers – and will ensure a streamlined flow of mail and packages in a logical and integrated manner. As an LPC, the facility amenities – including lighting, space, and bathrooms – would be improved.

9. What is a Sorting & Delivery Center (S&DC)?

Within a region, S&DCs will expand our network reach. S&DCs will aggregate delivery units into fewer, larger, and centrally located sites to provide faster and more reliable mail and package delivery over a greater geographic area, as compared to traditional delivery units.

As with RPDCs, S&DCs will be repurposed existing facilities as well as new buildings. In each S&DC, we will install package sorting equipment to reduce manual handlings and improve throughput. Employee amenities such as lighting, bathrooms, and breakrooms, will also be improved.

We have opened 31 S&DCs since the DFA plan launched. We plan to open another 36 in coming months.

10. What are the long-term benefits of implementing the Delivering for America Plan and modernizing the postal network?

There are many benefits derived from realizing the Delivering for America 10-year Plan. Implementation of the plan will lead to a better everything including better service performance for our customers; better employee morale and retention rates; better facility conditions; a better carbon footprint; better sequencing of mail and packages; better opportunities for our customers to reach a larger population in less time, and overall, a better customer experience.

Mail Processing Facility Review Notice of Public Input Meeting

Sioux Falls P&DC in Sioux Falls SD to Omaha P&DC in Omaha NE

February 26, 2024

As part of a \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks, the U.S. Postal Service announced that it is conducting an evaluation of current operations and potential future uses of its Sioux Falls Processing and Distribution Center (P&DC) facility in Sioux Falls SD.

The USPS ten-year Delivering for America (DFA) plan includes initiatives to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

This specific facility review will inform the best allocation of resources and strategies to improve customer service and to achieve significant cost savings through operational precision and efficiency. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be unaffected throughout this review. The evaluation is a first step in the Postal Service review and investment process in this facility and will not result in this facility's closure or career employee layoffs.

Public input will be considered as part of the review. A public meeting will be held to share the initial results of the study and to allow members of the local community to provide their feedback and perspectives on the Initial Findings of the MPFR. The meeting will be held on Wednesday, March 13, 2:00 PM at The Social, 301 S Thompson Ave, Sioux Falls SD 57103. A summary of the MPFR will be posted on *about.usps.com* at least one week prior to the public input meeting.

Members of the local community may submit comments at: https://www.surveymonkey.com/r/mpfr-sioux-falls-sd.

Below are some preliminary highlights from the study:

Business Case

The Postal Service is investing heavily in operations as it moves to modernize the nation's postal network, improve customer service, and achieve the organization's goal of 95% on-time delivery across all mail products.

The initial results of the facility review support the business case for keeping the Sioux Falls P&DC open and modernizing the facility as a Local Processing Center (LPC) with simplified processes and standardized layouts. The Sioux Falls LPC will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem. The facility will offer expanded and streamlined package processing capabilities in the local market and new workplace amenities for USPS employees. Additionally, the business case supports transferring some mail processing operations to the Omaha P&DC in Omaha NE.

Future of Facility

The Sioux Falls P&DC will remain open and will be modernized. It will be repositioned as a Local Processing Center for destinating mail processing. It is expected that this facility will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem.

Local Customers

- Retail and other services currently available at the Sioux Falls P&DC will not change.
- Business mail acceptance will remain the same.
- A local postmark will continue to be available at retail post offices.
- Delivery times of mail to residence and businesses should not change throughout this review.

Commercial Mailers

- Mailers who presort mail will continue to receive appropriate postage discounts.
- Mailers who drop ship to Destination Sectional Center Facility (DSCF) can expect no changes if the MPFR is approved.

Please go to https://www.surveymonkey.com/r/mpfr-sioux-falls-sd to submit written comments. All written comments must be received by March 28, 2024.





FOR IMMEDIATE RELEASE Feb. 26, 2024

Contact: Tara Jarrett Tara.L.Jarrett@usps.gov











USPS Proposes Improvements to Mail Operations at Sioux Falls Processing Facility

Facility to remain open and modernized as a Local Processing Center to improve mail and package flow through the region

Investments part of USPS 10-year Delivering for America plan to modernize the nation's aging postal network

Public meeting to be held Mar. 13

SIOUX FALLS, SD — As part of a \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks, the U.S. Postal Service is conducting an evaluation of current operations and potential future uses of its Sioux Falls Processing and Distribution Center (P&DC) facility in Sioux Falls, SD.

The USPS ten-year Delivering for America (DFA) plan includes initiatives to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

This specific facility review will inform the best allocation of resources and strategies to improve customer service and to achieve significant cost savings through operational precision and efficiency. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be unaffected throughout this review. The evaluation is a first step in the Postal Service review and investment process in this facility and will not result in this facility's closure or career employee layoffs.

The initial results of the facility review support the business case for keeping the Sioux Falls facility open and modernizing the facility as a Local Processing Center (LPC). The Sioux Falls LPC will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem. The facility will offer expanded and streamlined package processing capabilities in the local market and new workplace amenities for USPS employees - part of the Postal Service's \$40 billion investment in the nation's aging postal network.

Additionally, the business case supports transferring some mail processing operations to the Omaha P&DC in Omaha, NE. This would mean a significant percentage of the mail collected locally will travel across the wider USPS transportation and processing network over significant distances to reach their final destinations in a more efficient manner. Mail and packages destined for outside the local area may receive better service and be more cost effectively distributed by aggregating it with mail and packages from other areas going to the same places that will likewise utilize the wider postal network and be transported significant distances from where the mail originated.

A public meeting will be held on Wednesday, Mar. 13, 2:00 PM at The Social, 301 S Thompson Ave, Sioux Falls SD 57103. USPS will share the initial results of the study and allow members of the community to provide oral feedback and perspectives on the Initial Findings of the MPFR. A summary of the MPFR will be posted on *about.usps.com* at least one week prior to public input meeting. Members of the local community may submit written comments at https://www.surveymonkey.com/r/mpfr-sioux-falls-sd through Mar. 28, 2024. The public's input will be considered prior to a final decision.

The Postal Service will work closely with its unions and management associations throughout the facility review and will continually monitor the impact of any changes that are implemented and will adjust plans as necessary and appropriate.

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Please Note: The United States Postal Service is an independent federal establishment, mandated to be self-financing and to serve every American community through the affordable, reliable and secure delivery of mail and packages to 167 million addresses six and often seven days a week. Overseen by a bipartisan Board of Governors, the Postal Service is implementing a 10-year transformation plan, *Delivering for America*, to modernize the postal network, restore long-term financial sustainability, dramatically improve service across all mail and shipping categories, and maintain the organization as one of America's most valued and trusted brands.

The Postal Service generally receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations.

For USPS media resources, including broadcast-quality video and audio and photo stills, visit the <u>USPS Newsroom</u>. Follow us on <u>Twitter, Instagram, Pinterest</u> and <u>LinkedIn</u>. Subscribe to the <u>USPS YouTube channel</u>, like us on <u>Facebook</u> and enjoy our <u>Postal Posts blog</u>. For more information about the Postal Service, visit <u>usps.com</u> and <u>facts.usps.com</u>.

Stand-Up Talk February 26, 2024

Mail Processing Facility Review
Public Meeting to be held re: Sioux Falls P&DC

On January 10, we shared that we were beginning an evaluation of current operations and potential future uses for this facility. This review is part of our 10-year strategic Delivering for America plan and our \$40 billion investment strategy to upgrade and improve the Postal processing, transportation, and delivery networks.

The USPS ten-year Delivering for America (DFA) plan includes initiatives to improve organizational and operational processes and actively make the Postal Service an efficient, high-performing, world class logistics and delivery provider. Improvements to Postal operations will enhance the level of service provided to the public; drive innovation and enable a broader array of postal products and services; enhance organizational competitiveness; improve efficiency and lower the cost to operate; and provide better workplaces and careers for Postal Service employees.

This specific facility review will inform the best allocation of resources and strategies to improve customer service and to achieve significant cost savings through operational precision and efficiency. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will be unaffected throughout this review. The evaluation is a first step in the Postal Service review and investment process in this facility and will not result in this facility's closure or career employee layoffs.

The initial results of the facility review support the business case for keeping this facility open and modernized as a Local Processing Center (LPC). Repurposing this facility as a Local Processing Center is consistent with the broader network redesign outlined in the DFA Plan. The Sioux Falls LPC will be a critical node to the unified movement of mail and packages across the regional processing and transportation ecosystem. It will result in a revitalized, modernized, and upgraded facility with improved employee amenities and a better working environment.

Additionally, the business case supports transferring some mail processing operations to the Omaha P&DC in Omaha, NE. This will mean, a significant percentage of the mail collected here will travel across our wider transportation and processing network over significant distances to reach their final destinations in a more efficient manner. Mail and packages destined for outside our local area may receive better service and be more cost effectively distributed by aggregating it with mail and packages from other areas going to the same places that will likewise utilize the wider postal network and be transported significant distances from where the mail originated.

As updates are made to the facility and its operations, there will be no career employee layoffs.

The Postal Service will hold a public meeting to allow the local community to provide their feedback and perspectives on the Initial Findings of the review on Wednesday, March 13, 2:00 PM at The Social, 301 S Thompson Ave, Sioux Falls SD 57103. Attendance will be voluntary and off-the-clock for employees who choose to attend.

Comments on the proposal from employees and the public will be considered before any decision is made. Comments may be submitted at https://www.surveymonkey.com/r/mpfr-sioux-falls-sd. You can submit your comments on the study up to 15 days after the public meeting.

Thank you for your attention. We will keep you updated as we move through the facility review process and additional initiatives to modernize our postal network.

MAIL PROCESSING FACILITY REVIEW FREQUENTLY ASKED QUESTIONS

1. Why is USPS conducting a review of this facility?

This review is part of a \$40 billion investment strategy to upgrade and improve processing, transportation, delivery networks and employee experiences across the country. The Sioux Falls Processing and Distribution Center (P&DC) facility has been selected as a candidate for evaluation of its current operations and potential future uses that may lead to overall modernization and enhancement initiatives at the facility.

The review will not result in this facility's closure or career employee layoffs.

2. What did the MPFR evaluate?

In connection with the review, the Postal Service evaluated the following:

- a. Whether efficiency could be increased by transferring some mail processing operations currently performed at the Sioux Falls P&DC to the Omaha P&DC. A significant percentage of the mail collected in Sioux Falls will travel across our wider transportation and processing network over significant distances to reach their final destinations. Mail and packages destined for outside the Sioux Falls area may receive better service and be more cost effectively distributed by aggregating it with mail and packages from other areas going to the same places that will likewise utilize the wider postal network and be transported significant distances from where the mail originated.
- b. Whether efficiency can be increased, and service improved, regardless of any determination to transfer some mail processing operations out of the Sioux Falls facility, by investing in the Sioux Falls facility to redesign mail processing operations to accommodate changing mail products and mail flow with modern operating strategies, equipment, and improved employee amenities.
- c. Whether efficiency can be improved and/or service enhanced, regardless of any determination to transfer some mail processing operations out of the Sioux Falls facility, by expanding operations at the facility including adding Sorting & Delivery Center functions currently being deployed throughout the nation, incorporating expanded retail functions currently being evaluated and deployed throughout the nation, and/or increasing local package delivery functions including local transportation initiatives supporting new products being introduced.

3. When will a final decision be announced?

The Postal Service anticipates communicating initial findings in the coming month or two.

4. What does the facility review mean for local employees?

The review will not result in career employee layoffs. Our DFA plan is focused on improving the workplace experience for all employees by investing in facility conditions – including better space and lighting. Throughout the review process, we will continue to communicate regularly with the unions and management associations to support local employees as appropriate.

5. How can the public provide input in the process?

Members of the local community may provide feedback and perspectives on the Initial Findings of the MPFR at a public meeting to be held on Wednesday, March 13, 2:00 PM at The Social, 301 S Thompson Ave, Sioux Falls SD 57103, or submit comments at https://www.surveymonkey.com/r/mpfr-sioux-falls-sd. A summary of the MPFR will be posted on about.usps.com at least one week prior to the public input meeting.

6. How will local Post Office or retail operations be impacted by the review process?

The purpose of conducting this review and implementing our 10-year strategic plan is to improve service delivery and our overall retail experience. Business mail entry, Post Office, station, and branch retail services are not expected to change, and delivery services will not slow down as a result of this review.

7. What would repurposing this facility look like?

While it may be determined that moving some mail processing operations from this facility is a good business decision, it is highly likely under those circumstances that the facility will be modernized and repurposed as a Local Processing Center, a Sorting & Delivery Center, or both, consistent with the broader network redesign outlined in the DFA Plan. Any such repurposing will result in a revitalized, modernized, and upgraded facility with improved employee amenities and a better working environment.

8. What is a Local Processing Center (LPC)?

Local Processing Centers are critical nodes in our new end-to-end network model. They are the connective node between Regional Processing & Distribution Centers (RPDCs) to Sorting & Delivery Centers – and will ensure a streamlined flow of mail and packages in a logical and integrated manner. As an LPC, the facility amenities – including lighting, space, and bathrooms – would be improved.

9. What is a Sorting & Delivery Center (S&DC)?

Within a region, S&DCs will expand our network reach. S&DCs will aggregate delivery units into fewer, larger, and centrally located sites to provide faster and more reliable mail and package delivery over a greater geographic area, as compared to traditional delivery units.

As with RPDCs, S&DCs will be repurposed existing facilities as well as new buildings. In each S&DC, we will install package sorting equipment to reduce manual handlings and improve throughput. Employee amenities such as lighting, bathrooms, and breakrooms, will also be improved.

We have opened 31 S&DCs since the DFA plan launched. We plan to open another 36 in coming months.

10. What are the long-term benefits of implementing the Delivering for America Plan and modernizing the postal network?

There are many benefits derived from realizing the Delivering for America 10-year Plan. Implementation of the plan will lead to a better everything including better service performance for our customers; better employee morale and retention rates; better facility conditions; a better carbon footprint; better sequencing of mail and packages; better opportunities for our customers to reach a larger population in less time, and overall, a better customer experience.