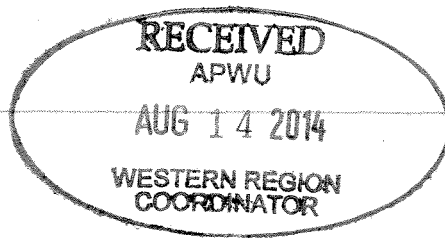


WESTERN AREA
HUMAN RESOURCES



To: () Pacific Area Local(s)
~~() Western Area Local(s)~~
() So. West Area Local(s)

- Withholding Info
- Staffing Issue(s)
- Status Update
- Grievance Administration
- Please review, take action and reduce issues to writing
- Comments

August 14, 2014

Omar M. Gonzalez
APWU Western Region Coordinator
1350 Old Bayshore Hwy., Ste. 360
Burlingame, CA 94010-1882

~~Omar M. Gonzalez, Coordinator~~

RE: Notice of Withholding for Seattle East DDC

Dear Mr. Gonzalez:

Please be advised that due to operational changes (Network Optimization Consolidation) at the Seattle East DDC, Redmond, WA, it is anticipated that it will be necessary to excess the following Clerks outside the craft and/or installation.

- Sixty-four (64) Full-time (FT) Clerks, PS-6
- One (1) Full-time (FT) Clerk, PS-7

Therefore, we authorize the withholding for the same positions in level PS-7 and below in the clerk, maintenance, letter carrier and mail handler crafts within 50 miles of the Seattle East DDC, Redmond, WA.

If you have any questions, please contact Anita Works, Labor Relations Specialist, Western Area at 303-313-5605.

Sincerely,

Anita Works for
Simon M. Storey
Manager, Human Resources
Western Area

cc: Manager Labor Relations, Western Area
Manager In-Plant Support, Western Area
District Manager, Seattle
Manager Operations Support, Seattle
Manager Human Resources, Seattle
Manager Labor Relations, Seattle
Complement Coordinator, Seattle
Regional Director NPMHU, Denver
NALC National Business Agent, Region 2

Attachments: Workhour Impact Report, AMP Study, Seniority Roster, Map

aw:47384

1745 STOUT ST., STE. 600
DENVER, CO 80299-4000
(303) 313-6020
FAX: 313-6021

WorkHour Impact Report

Impacted Bid Cluster	E KING CNTY INDP DLV DTR CTR
Installation Address	
Area Name	WESTERN
Impact Type	Reduction Other Than by Attrition
Date of Impact	07/31/2016
Period (Dates) of Review Performed	07/20/2013 thru 08/01/2014
Report Prepared By	Robert Deboard
Report Prepared Date	08/14/2014
Reviewed By	Lisa Shear
Phone	(503) 294-2206

WorkHour Impact Report

Craft = CLERK

	A	B	C	D	E	F	G
	Current Average Weekly Hrs	Planned Weekly Hrs	Weekly Hrs Savings	Monthly Savings	Annual Work Hours Savings	Annual FTE Savings	Current FTE Yearly Hr Rate
Total	2145	-49	-2194	-8776	-114088	-66	1716

OverTime Impact

	Current OT Average Weekly Hrs	Current OT Rate	Planned OT per Week from changes	Additional Planned OT per Week	Percent Planned OT per Week	Planned OT Hours per Week	Planned OT Rate
Total	0	0%	0	0		0	0%

WorkHour Impact Report

Casuals

a. Current Number of CLERK Casuals on Rolls	0
b. Current Total Non-OverTime CLERK Casuals Hours per Month	0
c. Planned Reduction in Total Non-OverTime CLERK Casuals Hours per Month	0
d. Number of CLERK Casuals that will have Reduced Hours	0
e. Number of CLERK Casuals that will be Terminated	0
f. Number of CLERK Casuals Remaining After Impact	0
g. Provide Narrative Justifying need for Remaining CLERK Casuals	
N/A	

Mail Handler (MHAs)

a. Current Number of CLERK MHAs on Rolls	0
b. Current Total Non-OverTime CLERK MHA Hours per Month	0
c. Planned Reduction in Total Non-OverTime CLERK MHA Hours per Month	0
d. Number of CLERK MHAs that will have Reduced Hours	0
e. Number of CLERK MHAs that will be Terminated	0
f. Number of CLERK MHAs Remaining After Impact	0
g. Provide Narrative Justifying need for Remaining CLERK MHAs	
N/A	

Part Time Flexible (PTFs)

a. Current Number of CLERK PTFs on Rolls	0
b. Current Total Non-OverTime CLERK PTFs Hours per Month	0
c. Planned Reduction in Total Non-OverTime CLERK PTFs Hours per Month	0
d. Number of CLERK PTFs that will have Reduced Hours	0
e. Will there be any CLERK PTFs Excessed from Craft or Installation	NO
If Yes how Many CLERK PTFs	0
f. Provide Narrative Explaining need for Excessing	
N/A	

City Carrier Assistant (CCAs)

a. Current Number of CLERK CCAs on Rolls	0
--	---

b. Current Total Non-OverTime CLERK CCA Hours per Month	0
c. Planned Reduction in Total Non-OverTime CLERK CCA Hours per Month	0
d. Number of CLERK CCAs that will have Reduced Hours	0
e. Number of CLERK CCAs that will be Terminated	0
f. Number of CLERK CCAs Remaining After Impact	0
g. Provide Narrative Justifying need for Remaining CLERK CCAs	
N/A	

Postal Support Employees (PSE)

a. Current Number of CLERK PSE on Rolls	0
b. Current Total Non-OverTime CLERK PSE Hours per Month	0
c. Planned Reduction in Total Non-OverTime CLERK PSE Hours per Month	0
d. Number of CLERK PSE that will have Reduced Hours	0
e. Number of CLERK PSE that will be Terminated	0
f. Number of CLERK PSE Remaining After Impact	0
g. Provide Narrative Justifying need for Remaining CLERK PSE	
N/A	

WorkHour Impact Report

Part Time Regular (PTRs)

a. Current Number of CLERK PTRs on Rolls	0
b. Planned Number of CLERK PTR Positions after Impact	0
c. Estimated Number of CLERK PTR Attrition	0
d. Will there be any CLERK PTRs Excessed from Craft or Installation CLERK PTRs	NO 0
e. Provide Narrative Explaining need for Excessing N/A	

Full Time Regular (FTRs)

a. Current Number of CLERK FTRs on Rolls	65
b. Planned Number of CLERK FTR Positions After Impact	0
c. Estimated Number of CLERK FTR Attrition	1
d. Will there be any CLERK FTRs Excessed from Craft or Installation If Yes how Many CLERK FTRs	YES 64
e. Provide Narrative Explaining need for Excessing 1 employee expected retire.	

WorkHour Impact Report-CLERK

Preliminary Summary

a. Total Planned Non-OT Reduction per Month for Regulars and PTRs	-8776
b. Planned Reduction in Total OT Hours per Month	0
c. Planned Reduction in Casual Non-OT Hours per Month	0
d. Planned Reduction in MHA Non-OT Hours per Month	0
e. Planned Reduction in PTF Non-OT Hours per Month	0
f. Planned Reduction in CCA Non-OT Hours per Month	0
g. Planned Reduction in PSE Non-OT Hours per Month	0
h. Total Planned Non-OT Hours per Month	-196
i. Total FTE Savings	-66

8/14/2014

FINANCE	OFFICE	FULL NAME	JOB TITLE	PAY LEVEL	D/A	FUNC	LDC	VET PREF	SEN DATE CRAFT
547625	SEATTLE DDC-EAST	LAMB DAVID R.	MAIL PROCESSING CLERK	6	110	1	12	Y	10/15/1979
547625	SEATTLE DDC-EAST	KAWACHI RODNEY E.	MAIL PROCESSING CLERK	6	110	1	11	N	9/17/1983
547625	SEATTLE DDC-EAST	PARK JASON S.	MAIL PROCESSING CLERK	6	110	1	12	N	3/29/1986
547625	SEATTLE DDC-EAST	EUGENIO EDWIN N.	MAIL PROCESSING CLERK	6	110	1	14	N	1/8/1986
547625	SEATTLE DDC-EAST	CASTILLO RAUL V.	MAIL PROCESSING CLERK	6	110	1	17	N	12/6/1986
547625	SEATTLE DDC-EAST	AMISON CASI K.	MAIL PROCESSING CLERK	6	110	1	11	N	1/3/1987
547625	SEATTLE DDC-EAST	QUILIT ALEJANDRINO L.	MAIL PROCESSING CLERK	6	110	1	17	N	1/17/1987
547625	SEATTLE DDC-EAST	PARK SUNG K.	MAIL PROCESSING CLERK	6	110	1	12	N	1/17/1987
547625	SEATTLE DDC-EAST	PHAM LE N.	MAIL PROCESSING CLERK	6	110	1	17	N	1/31/1987
547625	SEATTLE DDC-EAST	CHEEMA HARVINDER S.	MAIL PROCESSING CLERK	6	110	1	17	N	2/28/1987
547625	SEATTLE DDC-EAST	TRAN THUYEN TERESA B.	MAIL PROCESSING CLERK	6	110	1	12	N	3/14/1987
547625	SEATTLE DDC-EAST	TRAN PHUONG SUE B.	MAIL PROCESSING CLERK	6	110	1	11	N	3/14/1987
547625	SEATTLE DDC-EAST	LEUNG CHEE M.	MAIL PROCESSING CLERK	6	110	1	11	N	8/11/1990
547625	SEATTLE DDC-EAST	SAMSON JOSEPH G.	MAIL PROCESSING CLERK	6	110	1	14	N	8/25/1990
547625	SEATTLE DDC-EAST	NGUYEN MINH B.	MAIL PROCESSING CLERK	6	110	1	12	N	6/1/1991
547625	SEATTLE DDC-EAST	CHOI JOUNG J.	MAIL PROCESSING CLERK	6	110	1	11	N	4/4/1992
547625	SEATTLE DDC-EAST	DE TAGLE JOSE P.	MAIL PROCESSING CLERK	6	110	1	11	N	6/13/1992
547625	SEATTLE DDC-EAST	WILLIAMS IRIS K.	MAIL PROCESSING CLERK	6	110	1	11	Y	10/2/1993
547625	SEATTLE DDC-EAST	HUANG HONG B.	MAIL PROCESSING CLERK	6	110	1	11	N	10/30/1993
547625	SEATTLE DDC-EAST	YIU WEN Z.	MAIL PROCESSING CLERK	6	110	1	11	N	10/30/1993
547625	SEATTLE DDC-EAST	ALBU DAN	MAIL PROCESSING CLERK	6	110	1	11	N	12/11/1993
547625	SEATTLE DDC-EAST	WONG LINDA M.	MAIL PROCESSING CLERK	6	110	1	11	N	12/25/1993
547625	SEATTLE DDC-EAST	MAZA JOEL V.	MAIL PROCESSING CLERK	6	110	1	11	N	1/22/1994
547625	SEATTLE DDC-EAST	ALMACEN JR ISAGANI C.	LEAD MAIL PROCESSING CLERK	7	110	1	11	N	1/22/1994
547625	SEATTLE DDC-EAST	RATHBUN DENNIS M.	MAIL PROCESSING CLERK	6	110	1	11	N	8/20/1994
547625	SEATTLE DDC-EAST	SALGADO EFREN M.	MAIL PROCESSING CLERK	6	110	1	12	N	2/17/1996
547625	SEATTLE DDC-EAST	OH MATT H.	MAIL PROCESSING CLERK	6	110	1	11	N	8/31/1996
547625	SEATTLE DDC-EAST	CHANG JACK	MAIL PROCESSING CLERK	6	110	1	11	N	2/15/1997
547625	SEATTLE DDC-EAST	HUYNH PHUC H.	MAIL PROCESSING CLERK	6	110	1	11	N	2/15/1997
547625	SEATTLE DDC-EAST	FRANADA VIVIEN D.	MAIL PROCESSING CLERK	6	110	1	11	N	3/29/1997
547625	SEATTLE DDC-EAST	TAM OI W.	MAIL PROCESSING CLERK	6	110	1	11	N	3/29/1997
547625	SEATTLE DDC-EAST	DRINK VIOLETA B.	MAIL PROCESSING CLERK	6	110	1	11	N	4/26/1997
547625	SEATTLE DDC-EAST	LEUNG ALEX K.	MAIL PROCESSING CLERK	6	110	1	11	N	4/26/1997
547625	SEATTLE DDC-EAST	LIN KAREN	MAIL PROCESSING CLERK	6	110	1	11	N	5/10/1997
547625	SEATTLE DDC-EAST	TSAO VICTOR T.	MAIL PROCESSING CLERK	6	110	1	11	N	5/10/1997
547625	SEATTLE DDC-EAST	BUSTILLO JR ROMEO R.	MAIL PROCESSING CLERK	6	110	1	11	N	5/10/1997
547625	SEATTLE DDC-EAST	NGUYEN LAN T.	MAIL PROCESSING CLERK	6	110	1	11	N	5/24/1997
547625	SEATTLE DDC-EAST	MA AMY S.	MAIL PROCESSING CLERK	6	110	1	11	N	5/24/1997
547625	SEATTLE DDC-EAST	RABINOVICS ELENA	MAIL PROCESSING CLERK	6	110	1	11	N	6/21/1997
547625	SEATTLE DDC-EAST	CREDO MARIVIC M.	MAIL PROCESSING CLERK	6	110	1	11	N	8/30/1997
547625	SEATTLE DDC-EAST	SIENG MACH T.	MAIL PROCESSING CLERK	6	110	1	11	N	10/11/1997
547625	SEATTLE DDC-EAST	MACH SINH	MAIL PROCESSING CLERK	6	110	1	17	N	11/22/1997
547625	SEATTLE DDC-EAST	XU BING HUI	MAIL PROCESSING CLERK	6	110	1	12	N	11/22/1997
547625	SEATTLE DDC-EAST	MAUS ANJANETTE	MAIL PROCESSING CLERK	6	110	1	11	N	11/22/1997

547625	SEATTLE DDC-EAST	DOMINGO BUTCH RHANDI G	MAIL PROCESSING CLERK	6	110	1	11	N	11/22/1997
547625	SEATTLE DDC-EAST	MARTORELLA MATTHEW M	MAIL PROCESSING CLERK	6	110	1	11	N	12/6/1997
547625	SEATTLE DDC-EAST	NGO LIEU T	MAIL PROCESSING CLERK	6	110	1	11	N	1/3/1998
547625	SEATTLE DDC-EAST	JOSE RIZALITO R	MAIL PROCESSING CLERK	6	110	1	11	N	5/23/1998
547625	SEATTLE DDC-EAST	KO YANG S	MAIL PROCESSING CLERK	6	110	1	11	N	5/23/1998
547625	SEATTLE DDC-EAST	RUSIN ELZBIETA	MAIL PROCESSING CLERK	6	110	1	11	N	6/20/1998
547625	SEATTLE DDC-EAST	TOOR BALBIR S	MAIL PROCESSING CLERK	6	110	1	11	N	6/20/1998
547625	SEATTLE DDC-EAST	FRESCO TEOTIMO A	MAIL PROCESSING CLERK	6	110	1	11	N	6/20/1998
547625	SEATTLE DDC-EAST	PADLAN ROLAND S	MAIL PROCESSING CLERK	6	110	1	11	N	8/15/1998
547625	SEATTLE DDC-EAST	ZHU SHUXIAN	MAIL PROCESSING CLERK	6	110	1	11	N	9/26/1998
547625	SEATTLE DDC-EAST	YOON HYU J	MAIL PROCESSING CLERK	6	110	1	11	N	10/10/1998
547625	SEATTLE DDC-EAST	CACHO GERALDINE	MAIL PROCESSING CLERK	6	110	1	11	N	10/10/1998
547625	SEATTLE DDC-EAST	CHENG KAM C	MAIL PROCESSING CLERK	6	110	1	11	N	10/24/1998
547625	SEATTLE DDC-EAST	MOON YOUNG S	MAIL PROCESSING CLERK	6	110	1	11	N	11/7/1998
547625	SEATTLE DDC-EAST	KIM JEONG K	MAIL PROCESSING CLERK	6	110	1	11	N	9/25/1999
547625	SEATTLE DDC-EAST	FAN SHUYU	MAIL PROCESSING CLERK	6	110	1	11	N	12/4/1999
547625	SEATTLE DDC-EAST	RAINWATER MARILYN F	MAIL PROCESSING CLERK	6	210	1	18	N	1/3/2000
547625	SEATTLE DDC-EAST	CHAU THUY T	MAIL PROCESSING CLERK	6	110	1	11	N	1/29/2000
547625	SEATTLE DDC-EAST	LEE DONG H	MAIL PROCESSING CLERK	6	110	1	11	N	5/29/2004
547625	SEATTLE DDC-EAST	YU AILING	MAIL PROCESSING CLERK	6	210	1	11	N	6/12/2004
547625	SEATTLE DDC-EAST	LU SHWU C	MAIL PROCESSING CLERK	6	210	1	11	N	3/5/2005

Washington, United States, North America



SUMMARY_NARRATIVE

7/30/2014 14:25

US Postal Service
Western Area Office
In-Plant Support

Seattle East Delivery Distribution Center (DDC) Network Optimization Consolidation Analysis Seattle East DDC - Projected Savings from Analysis of Move Scenarios

Background - Purpose of Analysis:

The Seattle East DDC has been proposed for closure and subsequent consolidation into the Seattle P&DC associated with current Network Optimization strategies. This analysis measures the cost and workhour savings associated with the proposed closure and consolidation of this DDC.

This analysis intends to measure cash flows and savings under three different scenarios to determine appropriateness of closure and consolidation of the Seattle East DDC into the Seattle P&DC.

- Scenario 1: Stranded Cost Scenario -- building is vacated with no expected return from facility disposition (sale of building).
- Scenario 2: Stranded Cost Scenario # 2 - building is vacated with no expected return from facility disposition in Years 1 - 3. That is, this scenario assumes the facility will be sold within 36 months (3 years).
- Scenario 3: Building is vacated with immediate facility disposition (near immediate sale).

Background - Facility:

The Seattle East DDC is a USPS owned facility with original costs of \$ 4,168,974 for site (land) and \$ 11,943,242 for building. The facility was originally occupied in 1991 as part of an overall Seattle Metro plan to support automation deployment and increased Delivery Point Sequencing (DPS) for Seattle metro stations and branches. The facility currently houses 15 Delivery Bar Code Sorters (DBCS) (9 Phase 1 DBs, 4 Phase 2 - 5 DBs and 2 Phase 6 DBs). In addition, the facility contains a small opening unit operation and has one Automated Flat Sorter (AFSM) for flat distribution.

It is intended that this facility be consolidated and that Mail Processing Equipment (MPE) will be relocated to the Seattle Processing & Distribution Center as follows:

- Phase 1 DBCS fleet: Will be excessed and not relocated to the Seattle P&DC.
Phase 2 DBCS fleet: Will be relocated to the Seattle P&DC.
Phase 6 DBCS fleet: Will be relocated to the Seattle P&DC.
AFSM: Will be relocated to the Seattle P&DC.

Cost Savings Assumptions:

LDC specific capture rates are applied to current workhours at the Seattle East DDC to project expected savings. Capture rates are also estimated for non-personnel costs to project expected savings. Utility expenses and depreciation expenses were analyzed individually for each proposed scenario. That is, utility and depreciation expenses were expected to be recovered under Scenarios # 2 and #3 and were measured in the cash flow analysis consistent with proposed date of sale. One-time depostalization and relocation costs were estimated using appropriate Decision Analysis Report (DAR) factors. Revenue from facility sale was estimated at current land / building undepreciated ("book") value.

SUMMARY_NARRATIVE

**Seattle East Delivery Distribution Center (DDC) Network Optimization Consolidation Analysis
Seattle East DDC - Projected Savings from Analysis of Move Scenarios**

Conclusions and Other Notes:

Estimated Workhour Savings (all scenarios) as follows:

Function 1	40,674	Workhours	25%	Capture Rate	\$	1,851,834	Annual Savings
Function 3B	24,454	Workhours	52%	Capture Rate	\$	1,167,277	Annual Savings
Function 8	1,800	Workhours	100%	Capture Rate	\$	85,920	Annual Savings
Total Savings	66,928	Workhours	31%	Capture Rate	\$	3,105,031	Annual Savings

Estimated Non-Personnel Savings as follows:

Scenario 1	No Sale of Facility	\$	517,956		
Scenario 2	Delayed Sale of Facility	\$	517,956	\$	1,151,023 (When Sold)
Scenario 3	Quick Sale of Facility	\$	1,151,023		

Total Annual Savings:

Scenario 1	No Sale of Facility	\$	3,622,987		
Scenario 2	Delayed Sale of Facility	\$	3,622,987	\$	4,256,054 (When Sold)
Scenario 3	Quick Sale of Facility	\$	4,256,054		

Conclusion: Workhour and non-personnel savings associated with consolidation of Seattle East DDC into the Seattle P&DC is supported by cash flow analysis and provides positive rate of return under any scenario. Stranded costs (if facility is not sold - worst case scenario) are more than offset by workhour and non-personnel considerations.

Estimated Revenue from Sale of Facility (Revenue from Sale estimated at current Land / Building Undepreciated Value):

Scenario 1	No Sale of Facility	\$	-		
Scenario 2	Delayed Sale of Facility	\$	11,448,507	(When Sold)	
Scenario 3	Quick Sale of Facility	\$	11,448,507		

Final Notes and Considerations:

Cash flow analysis supports closure and consolidation of Seattle East DDC into Seattle P&DC under any of the three scenarios analyzed, with economic return improved if facility is able to be sold.

This analysis intended to measure potential workhour and non-personnel savings and compare those estimated savings to facility disposition alternatives (including no sale of the building). Other alternatives that could be considered for the (proposed vacated) Seattle East DDC including Delivery Unit Optimization (DUO) or potential to sub-lease the facility to an external customer. The Denver Facilities Service Office (Denver FSO) should be contacted to assess the potential to use this (vacated) space for potential Delivery Unit Optimization (DUO) or for sub-lease considerations. DUO or sub-lease opportunities will only improve the expected financial return from vacating the Seattle East DDC.

CASH_FLOWS

7/30/2014 14:25

US Postal Service
Western Area Office
In-Plant Support

Seattle East DDC Consolidation Analysis - Projected Savings from Analysis of 3 Move Scenarios

Finance Number: 54-7625

		Facility Stranded No Sale Seattle East DDC Scenario 1	Facility Stranded Sale in 3 Years Seattle East DDC Scenario 2	Facility Stranded Immediate Sale Seattle East DDC Scenario 3
Savings:				
Sale of Facility	Line 07	\$ -	\$ 11,448,507	\$ 11,448,507
Operational Savings:				
Mail Processing	(Function 1)	\$ 1,851,834	\$ 1,851,834	\$ 1,851,834
Maintenance / Custodians	(Function 3B)	\$ 1,167,277	\$ 1,167,277	\$ 1,167,277
Administration	(Function 8)	\$ 85,920	\$ 85,920	\$ 85,920
Non-Personnel Savings:				
Transportation	Line 3P	\$ 348,000	\$ 348,000	\$ 348,000
Utilities	Line 42	\$ 67,222	\$ 67,222	\$ 268,887
Utilities (Assumes Facility Sale)			\$ 268,887	
Depreciation	Line 43	\$ -	\$ -	
Depreciation (Assumes Facility Sale)			\$ 431,402	\$ 431,402
Other Non-Personnel	Lines 31 - 46	\$ 102,734	\$ 102,734	\$ 102,734
Total Annual Savings - (Years 2012 - 2015)		\$ 3,622,987	\$ 3,622,987	\$ 4,256,054
Total Savings - Facility Sale Assumptions		\$ 3,622,987	\$ 4,256,054	\$ 4,256,054
Costs:				
Move Costs	Equipment	\$ 69,825	\$ 69,825	\$ 69,825
Move Costs	Depostalize	\$ 1,154,996	\$ 1,154,996	\$ 1,154,996
Total Cost:		\$ 1,224,821	\$ 1,224,821	\$ 1,224,821

Net Cash Flow:

Year	Year	Scenario 1	Scenario 2	Scenario 3
Y-0	2012	\$ (1,224,821)	\$ (1,224,821)	\$ (1,224,821)
Y-1	2013	\$ 3,622,987	\$ 3,622,987	\$ 15,704,561
Y-2	2014	\$ 3,622,987	\$ 3,622,987	\$ 4,256,054
Y-3	2015	\$ 3,622,987	\$ 15,071,494	\$ 4,256,054
Y-4	2016	\$ 3,622,987	\$ 4,256,054	\$ 4,256,054
Y-5	2017	\$ 3,622,987	\$ 4,256,054	\$ 4,256,054
Y-6	2018	\$ 3,622,987	\$ 4,256,054	\$ 4,256,054
Y-7	2019	\$ 3,622,987	\$ 4,256,054	\$ 4,256,054
Y-8	2020	\$ 3,622,987	\$ 4,256,054	\$ 4,256,054
Y-9	2021	\$ 3,622,987	\$ 4,256,054	\$ 4,256,054
Y-10	2022	\$ 3,622,987	\$ 4,256,054	\$ 4,256,054
	Rate:	6.38%	6.38%	6.38%
	NPV:	\$23,476,620	\$35,141,311	\$37,897,448
	IRR:	296%	335%	1211%

DDC_NON_PERSONNEL_DATA

7/30/2014 14:25

US Postal Service
Western Area Office
In-Plant Support

**Analysis of Seattle East DDC
Non-Personnel Savings from Consolidation**

Facility Background Data:				
Land Purchase Price	(1990)	\$	4,168,974	Current Book Value (FY 2011)
Facility Cost	(1991)	\$	11,943,242	\$ 11,448,507

Non-Personnel Expenses - FY 2011 YTD thru August (Estimated FY 2011 Total)				
Line Name	Line #	FY 2011 Total Expenses	Applied Savings %	Consolidation Savings
Supplies	31	\$ 61,823	50.00%	\$ 30,912
Furniture & Equipment	32	\$ 25	50.00%	\$ 13
Supplies - Inventory	33	\$ 79,084	50.00%	\$ 39,542
Services	34	\$ 5,592	50.00%	\$ 2,796
Equip Rental / Repair	37	\$ 31,041	50.00%	\$ 15,521
Travel Oth Than Trng	3D	\$ -	50.00%	\$ -
Training	3E	\$ 2,855	50.00%	\$ 1,428
Miscellaneous Expense	44	\$ 11,141	100.00%	\$ 11,141
Communications	45	\$ 1,274	100.00%	\$ 1,274
Information Tech	46	\$ 427	25.00%	\$ 107
Non-Personnel Total (Detail Lines)		\$ 193,262		\$ 102,734
Depreciation / Amort	43	\$ 431,402	Scenario 1	0.00% \$ -
			Scenario 2	100.00% \$ 431,402
			Scenario 3	100.00% \$ 431,402
Utilities - Heat / Fuel	42	\$ 268,887	Scenario 1	25.00% \$ 67,222
			Scenario 2	25.00% \$ 67,222
			Scenario 3	100.00% \$ 268,887
Transportation	3P	\$ 348,000	100.00%	\$ 348,000
(Transportation Costs (3P) estimated - not assigned to Finx 54-7625)				

Relocation Costs - Move Seattle East DDC operations to Seattle P&DC				
Equipment Fleet - Move	# in Fleet	Machine Move	DAR Move Factor	Move Cost
DBCS Relocatons	6	< 45 Miles	\$ 6,825	\$ 40,950
AFSM	1	< 45 Miles	\$ 28,875	\$ 28,875
Total Equipment Move Costs				\$ 69,825
Facility Move	Square Feet	DAR Adj Factor	Move Cost	Adj Factor
De-postalization of DDC	117,528	\$ 8.88	\$ 1,043,649	60.00%
Contingency		10.00%	\$ 111,347	
Total Facility Depostalize / Move Costs			\$ 1,154,996	
Total Move Costs			\$ 1,224,821	

DDC_WKHR DATA

7/30/2014 14:25

US Postal Service
Western Area Office
In-Plant Support

Seattle East DDC - Workhour Data & Target Savings from Move Scenarios
Includes Pricing for Workhour Expected Savings

Workhour Data:					
FINANCE	FINNAME	LINECODE	LCDESC	FY 11 Actual	F-1 Hour Rate
547625	SEATTLE DDC-EAST	10	MP Supervisor Hours	8,595	
547625	SEATTLE DDC-EAST	11	MP-Dir-automation	62,245	
547625	SEATTLE DDC-EAST	12	MP-Mech Dst Ltrs/flt	15,739	
547625	SEATTLE DDC-EAST	14	MP-Manual Dist	32,817	
547625	SEATTLE DDC-EAST	17	MP-Other Dir Opns	36,105	
547625	SEATTLE DDC-EAST	18	MP-Indirect / Related	7,320	
547625	SEATTLE DDC-EAST	91	Opns M/P Tng Hrs	1,820	
Total Function 1				164,641	\$ 45.53
FINANCE	FINNAME	LINECODE	LCDESC	FY 11 Actual	F-3B Hour Rate
547625	SEATTLE DDC-EAST	35	Supv-Plant & Equip M	3,575	
547625	SEATTLE DDC-EAST	36	Postal Operatg Equip	23,020	
547625	SEATTLE DDC-EAST	37	Building Sys Equip	1,461	
547625	SEATTLE DDC-EAST	38	Building Serv-Custod	16,012	
547625	SEATTLE DDC-EAST	39	Mnt Plng Cntrl Stors	3,025	
547625	SEATTLE DDC-EAST	93	Opns V/S&P/E Tng Hrs	-	
Total Function 3B				47,093	\$ 47.73
FINANCE	FINNAME	LINECODE	LCDESC	FY 11 Actual	F-8 Hour Rate
547625	SEATTLE DDC-EAST	80	PM / Installation Mgr	1,800	
Total Function 8				1,800	\$ 55.76

Savings Scenarios - Set Savings Targets & Price Workhour Savings:					
Savings	Current Inventory - DBCS (East DDC)	15		Savings Target	Applied
Methodology:	Proposed Reduction in Fleet	9	60.00%	40.00%	24.00%
	DBCS to move to Seattle P&DC	6	40.00%		
Function 1 - Mail Processing					
Line Code	LDC Description	Savings Methodology	Applied Percent	Proj Savings	Dollar Amt
10	MP Supervisor Hours	1 Position (1/22 Reduction)		1,840	\$ 83,773
11	MP-Dir-automation	Machine (Fleet) Reduction	24.00%	14,939	\$ 680,153
12	MP-Mech Dst Ltrs/flt	Machine (Fleet) Reduction	24.00%	3,777	\$ 171,962
14	MP-Manual Dist	Machine (Fleet) Reduction	24.00%	7,876	\$ 358,584
17	MP-Other Dir Opns	Machine (Fleet) Reduction	24.00%	8,665	\$ 394,506
18	MP-Indirect / Related	Machine (Fleet) Reduction	24.00%	1,757	\$ 79,994
91	Opns M/P Tng Hrs	Complete Reduction	100.00%	1,820	\$ 82,862
Total Function 1 Savings			== >	40,674	\$ 1,851,834
Function 3B - Plant Maintenance					
Line Code	LDC Description	Savings Methodology	Applied Percent	Proj Savings	Dollar Amt
35	Supv-Plant & Equip M	1 Position Reduction (Mgr Maint)		1,840	\$ 87,830
36	Postal Operatg Equip	Machine (Fleet) Reduction	24.00%	5,525	\$ 263,728
37	Building Sys Equip	Machine (Fleet) Reduction	24.00%	351	\$ 16,754
38	Building Serv-Custod	Complete Reduction	100.00%	16,012	\$ 764,310
39	Mnt Plng Cntrl Stors	Machine (Fleet) Reduction	24.00%	726	\$ 34,655
93	Opns V/S&P/E Tng Hrs	Complete Reduction	100.00%	-	\$ -
Total Function 3B Savings			== >	24,454	\$ 1,167,277
Function 8 - Administration					
Line Code	LDC Description	Savings Methodology	Applied Percent	Proj Savings	Dollar Amt
80	PM / Installation Mgr	1 Position Reduction (Facility Mgr)	100.00%	1,800	\$ 85,920