



## American Postal Workers Union, AFL-CIO

1300 L Street, NW, Washington, DC 20005

### Acknowledge National Dispute

July 21, 2003

**Greg Bell**  
Industrial Relations Director  
1300 L Street, NW  
Washington, DC 20005  
(202) 842-4273 (Office)  
(202) 371-0992 (Fax)

Mr. Anthony J. Vegliante  
Vice President, Labor Relations  
U.S. Postal Service, Room 9100  
475 L'Enfant Plaza  
Washington, D.C. 20260

Re: USPS No. Q00V4QC03164127,  
APWU No. HQTIV20036, Cert. No. 70022410000247624605

#### National Executive Board

William Burrus  
President

Cliff "C.J." Guffey  
Executive Vice President

Robert L. Tunstall  
Secretary-Treasurer

Greg Bell  
Industrial Relations Director

James "Jim" McCarthy  
Director, Clerk Division

Steven G. "Steve" Raymer  
Director, Maintenance Division

Robert C. "Bob" Pritchard  
Director, MVS Division

Dear Mr. Vegliante:

This is to acknowledge receipt of the dispute filed by the Postal Service in accordance with the provisions of Article 15, Section 2 and 4, of the Collective Bargaining Agreement. The APWU case number for this dispute is referenced above.

Please contact Robert Pritchard, case officer, to discuss this dispute at a mutually scheduled time.

Sincerely,

  
Greg Bell, Director  
Industrial Relations

#### Regional Coordinators

Sharyn M. Stone  
Central Region

Jim Burke  
Eastern Region

Elizabeth "Liz" Powell  
Northeast Region

Terry R. Stapleton  
Southern Region

Omar G. Gonzalez  
Western Region

APWU #: HQTIV20036  
USPS#: Q00V4QC03164127

Dispute Received Date: 7/8/2003  
Case Officer: Robert Pritchard  
Contract Article(s): ;

cc: Resident Officers  
File



## American Postal Workers Union, AFL-CIO

1300 L Street, NW, Washington, DC 20005

### Article 15 - 15 Day Statement of Issues and Facts

**Robert C. Pritchard**  
Director, MVS Division  
1300 L Street, NW  
Washington, DC 20005  
(202) 842-4240 (Office)  
(202) 842-8517 (Fax)

October 15, 2008

#### National Executive Board

William Burrus  
President

Cliff "C. J." Guffey  
Executive Vice President

Terry Stapleton  
Secretary-Treasurer

Greg Bell  
Industrial Relations Director

James "Jim" McCarthy  
Director, Clerk Division

Steven G. "Steve" Raymer  
Director, Maintenance Division

Robert C. "Bob" Pritchard  
Director, MVS Division

Sharyn M. Stone  
Central Region Coordinator

Mike Gallagher  
Eastern Region Coordinator

Elizabeth "Liz" Powell  
Northeast Region Coordinator

William "Bill" Sullivan  
Southern Region Coordinator

Omar M. Gonzalez  
Western Region Coordinator

Mr. Doug Tulino  
Vice President, Labor Relations  
U.S. Postal Service, Room 9014  
475 L'Enfant Plaza  
Washington, D.C. 20260

Re: APWU No. HQTV20036 , USPS No. Q00V4QC03164127, Cert. No. 7005 1160 0005 2540 4569

Dear Mr. Tulino:

The meeting on the above referenced dispute was held between the parties on October 8, 2008 in accordance with Article 15 of the Collective Bargaining Agreement. Article 15, Section 2 (Step 4) provides that if the parties fail to reach an agreement, then within fifteen days of their meeting each party shall provide the other with a statement in writing of its understanding of the issues involved, and the facts giving rise to the dispute.

The following is the APWU's statement of issues and facts concerning this dispute.

The USPS initiated this dispute in 2003 and the time limits were extended to October 31, 2008 by mutual agreement between Robert C. Pritchard and Mary Hercules, Labor Relations Specialist, U. S. Postal Service.

In a letter from you dated July 3, 2003, addressed to President William Burrus, Management takes the position that transportation of mail falls solely under Article 32, Section 2. However, it is the Union's position that all subcontracting falls under Article 32 and the rules apply either under Section 1 or Section 2.

This is the essence of the dispute that lies between the USPS and the APWU. It is not clear from the USPS' position whether the USPS concur that all subcontracting falls under Article 32. If in fact the USPS agrees, then there is no need to pursue this matter and the APWU would be in agreement that whatever rules that are in effect under Article 32.1 or Article 32.2 must be complied with depending on which section of Article 32 (subcontracting) is let under.

Doug Tulino, Vice President  
October 15, 2008  
Re: APWU No.HQTV20036 , USPS No. Q00V4QC03164127.

Please contact me if you wish to discuss this matter.

Sincerely,



Robert C. Pritchard  
Case Officer

APWU #: HQTV20036  
USPS #: Q00V4QC03164127

Dispute Date: 7/7/2003  
Contract Articles: ;

cc Industrial Relations  
:

RCP:ndp//opeiu#2//afl-cio



October 31, 2008

Mr. Robert Pritchard  
Director, Motor Vehicle Craft  
American Postal Workers Union,  
AFL-CIO  
1300 L Street, NW  
Washington, DC 20005-4128

CERTIFIED MAIL NUMBER:  
7001 2510 0008 2205 4575

Re: Q00V-4Q-C 03164127  
Washington, DC 20260-4100

Dear Bob:

On October 8, we met to discuss the above-captioned dispute which is pending at the fourth step of our grievance/arbitration procedures. Since the parties have been unable to resolve this matter, in accordance with Article 15.2.Step 4, this constitutes the Postal Service's understanding of the issues involved and the facts giving rise to the interpretive dispute.

**The issue presented:**

Does Article 32 of the National Agreement require the Postal Service to notify the local or national union when a temporary highway contract route (HCR) is let.

**Background information:**

Historically speaking, Article 32, entitled "Subcontracting" has been part of the collective bargaining agreement since 1973. In the 1978 Agreement, a new section, incorporating a Memorandum of Understanding between the USPS and APWU-Motor Vehicle Craft, was added to Article 32 entitled, "Motor Vehicle Craft – Highway Movement of Mail." Except for a few changes including numbering, format and wage levels; this negotiated section has remained virtually the same throughout the years.

Article 32.2.A of the National Agreement<sup>[1]</sup> states:

*The American Postal Workers Union, AFL-CIO, and the United States Postal Service recognize the importance of service to the public and cost to the Postal Service in selecting the proper mode for the highway movement of mail. In selecting the means to provide such transportation the Postal Service will give due consideration to public interest, cost, efficiency, availability of equipment, and qualification of employees.*

Article 32.2.B of the 2000 National Agreement states:

*For highway contracts covered by Article 32, Section 2, the Union will be furnished the information enumerated in Paragraph C below. This information will be furnished at least sixty (60) days prior to the scheduled installation of the service. Within forty (40) days of being furnished such information, the Union may request a meeting to discuss a specific contract(s). Within forty-five (45) days of being furnished such information, the parties*

<sup>[1]</sup> At the time that this dispute was initiated, the 2000-2003 National Agreement was in effect. For purposes of this dispute, there are no changes to Article 32, Section 2.

*will exchange the basic cost analyses in order to facilitate discussions. The parties will meet on or before the sixtieth (60<sup>th</sup>) day. At no time will the subject highway contract(s) for which a meeting has been requested be awarded prior to the actual meeting.*

Article 32.2.C of the National Agreement outlines the information to be provided to the union including a statement of service, equipment requirements, and requirements for a renewal or new contract solicitation.

Article 32.2.D of the National Agreement provides for notification to the union if there is a subsequent substantial modification to the information provided under Section 32.2.C.

Article 32.2.E of the National Agreement outlines the factors to be used for cost comparisons of the type of transportation mode selected.

Article 32.2.F of the National Agreement requires the Postal Service to furnish the cost of an awarded contract to the union for routes that the union previously provided cost comparisons.

Article 32.2.G of the National Agreement outlines the type of routes that are subject to the provisions of Article 32.2.

Article 32.2.H of the National Agreement states:

*The information will be furnished for all routes covered by this Section and subject to renewal, extension, conversion of existing postal vehicle service to highway contract service or new highway contract service subject to the limitations stated herein. The following contracts are not encompassed by this Section: services involving collection and box delivery; small contract operations in areas where no Postal Vehicle Service operation is currently operating and where Postal Vehicle Service operation is economically unfeasible; or **any star route contracts let on a temporary or emergency basis.** /emphasis added/*

By definition, a temporary contract is a two-year renewable contract which can be terminated without indemnity. Temporary contracts may be used only when (a) the need for the service is expected to be 2 years or less, or (b) the need for the service has been established, but the duration, frequency, or volume of mail are not certain. Temporary contracts must be replaced with regular contracts as soon as service requirements are firmly established.

By letter dated July 7, 2003, the Postal Service initiated the instant interpretive dispute.

#### **Position of the Parties:**

In sum, the APWU stated that since temporary contracts are not covered under Section 2 of Article 32, per paragraph 2H of Article 32, then it must be covered under Section 1 of Article 32.

The Postal Service disagrees. In the Postal Service's view, the general principles of outsourcing outlined in Article 32 Section 1 of the National Agreement do not apply when subcontracting of motor vehicle craft – highway movement of mail. Rather, when the Postal Service is selecting the proper mode of highway movement of mail, Section 2 of Article 32 contains the appropriate provisions based on the historical application and the negotiated terms. Section 2H of Article 32 explicitly excludes temporary contracts from the notification requirements and information sharing provisions outlined in Sections 2A through 2G.

Furthermore, as analyzed in Arbitrator Snow's award in Case No. H4V-NA-C 84, et al, Article 32, Section 2A and 2B mirrors Section 1A and 1B. He stated, at page 18:

*The present Section 3<sup>2</sup>, the provisions at issue in this case, deals exclusively with the Motor Vehicle Craft... Article 32.3 is divided into subparagraphs A-I. Article 32.3.A mirrors Article 32.1(A) by establishing a 'due consideration' obligation on the part of the Employer when selecting the means to be used in the highway movement of mail.*

At page 19, Arbitrator Snow observes:

*As Article 32.3(A) mirrors Article 32.1(A), so does Article 32.3(B) mirror Article 32.1(B).*

*It will be recalled that Article 32.1(B) mandates notification of Unions when the Employer considers 'subcontracting which will have a significant impact upon bargaining unit work,' and the provision calls for a meeting between affected unions and the Employer prior to a decision to contract out the work. Like Article 32.1(B), Article 32.3(B) mandates notification and meeting prior to the subcontracting decision. Article 32.3(B), however, is set forth in much more detail.*

Based on the history of this section entitled Motor Vehicle Craft-Highway Movement of Mail, Arbitrator Snow concludes, at page 23:

*From this progression, it is reasonable to conclude that Article 32.3 was intended to particularize, without substantive change, the general content of Article 32 itself.*

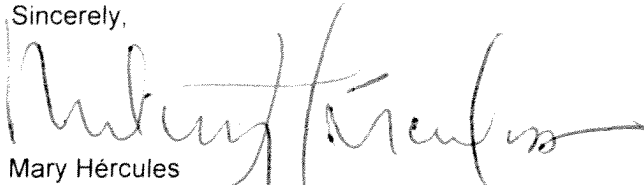
*The structure of Article 32.3 supports this conclusion. Article 32.3(A) merely restates, as it affects the Motor Vehicle Craft alone, the general 'due consideration' obligation found in Article 32.1. Indeed, the language is identical. Article 32.3(B) accomplishes the same particularization with respect to requirements of procedural notification and the obligation to meet which was set forth in Article 32.1.*

Snow's conclusions which were accepted in a subsequent decision by Arbitrator Das in Case No. H0C-NA-C 21, coupled with the explicit provisions of Article 32, Section 2.H, support the Postal Service's position in this case.

Based on the foregoing, the Postal Service concludes that there is no contractual requirement to notify the union when the Postal Service lets temporary highway contract routes.

Step 4 time limits were waived by mutual consent with the agreement to exchange the 15-day position statements no later than October 31.

Sincerely,



Mary Hércules  
Labor Relations Specialist  
Contract Administration (APWU)

---

<sup>2</sup> Note that "Section 3", referenced throughout Snow's award contains the same provisions in the 2000 Agreement, however renumbered as "Section 2."