

FROM THE DESK OF

Lyle Krueth
National Business Agent
Clerk Division



8009 34th Ave So, #1540
Bloomington, MN 55425

Office: 952-854-0093
Fax: 952-854-0268

TO: Local Presidents	DATE: June 20, 2007
-----------------------------	----------------------------

- | | |
|--|--|
| <input checked="" type="checkbox"/> Your information | <input type="checkbox"/> Acknowledge and reply |
| <input checked="" type="checkbox"/> Take Action | <input type="checkbox"/> Comment |
| <input type="checkbox"/> Your files | <input type="checkbox"/> Revise |
| <input type="checkbox"/> Approve | <input type="checkbox"/> Call me |
| <input type="checkbox"/> What is status? | <input type="checkbox"/> As per your request |
| <input type="checkbox"/> Please advise | <input type="checkbox"/> Investigate and recommend |
| <input type="checkbox"/> Please return | <input type="checkbox"/> Sign |
| <input type="checkbox"/> Do you have files? | <input type="checkbox"/> Other |

1. Attached, you will find the recent pre-arbitration settlement of Q00C-4Q-C 06103264 regarding contract postal units. There were two issues in that case: a) could a contract postal unit be located on property owned or leased by the Postal Service; and, b) must a contractor own the property/facility in order to be awarded a CPU contract [as a sub-issue of this, the USPS took the position that USPS Handbook AS-707F was not an Article 19 handbook]. As you can see those issues have now been resolved.
2. Part 1.5.1 of the AS-707F (as cited in the settlement) is attached for your information. You can obtain the entire handbook by visiting the Industrial Relations page of the APWU website online.
3. We may not have many CPU's on USPS owned or leased property. I would venture to guess that a significant number of the local CPU's, however, are on contractor leased property rather than contractor owned property, as required by the handbook (and now reinforced by the settlement). If so, we are now on notice that those CPU's violate our National Agreement.
4. Most of those CPU's have been in existence for some time. To address a management challenge on timeliness, it would be our position that: a) they are continuing violations; b) we became aware of the prohibition when this settlement was distributed; and c) you cannot know whether a violation occurs until you find out from the USPS which CPU's are operator owned and which are operator leased.
5. You should promptly request from the USPS: 1) a list of call Contract Postal Units under their jurisdiction; 2) whether those CPU's are "operator owned" or "operator leased"; 3) then request copies of the contracts for all "leased" facilities. [You could also ask if any are USPS owned or leased]
6. As part of your remedy ask that the contract be terminated immediately. Clause OB-490 of the appropriate contract permits this since it is not in the USPS' interest to violate their own regulations. [See Ex. C.1.b of AS-707F]. If they do not, then we want to be made whole for all work performed after we file the grievance.