



## REPORT | WASHINGTON, DC

**T**he Semi-Annual Meeting of the Local Unions (SAMLU) was held in Washington, DC from October 31 through November 1, 2022. In attendance were the National Executive Board (NEB) Members,

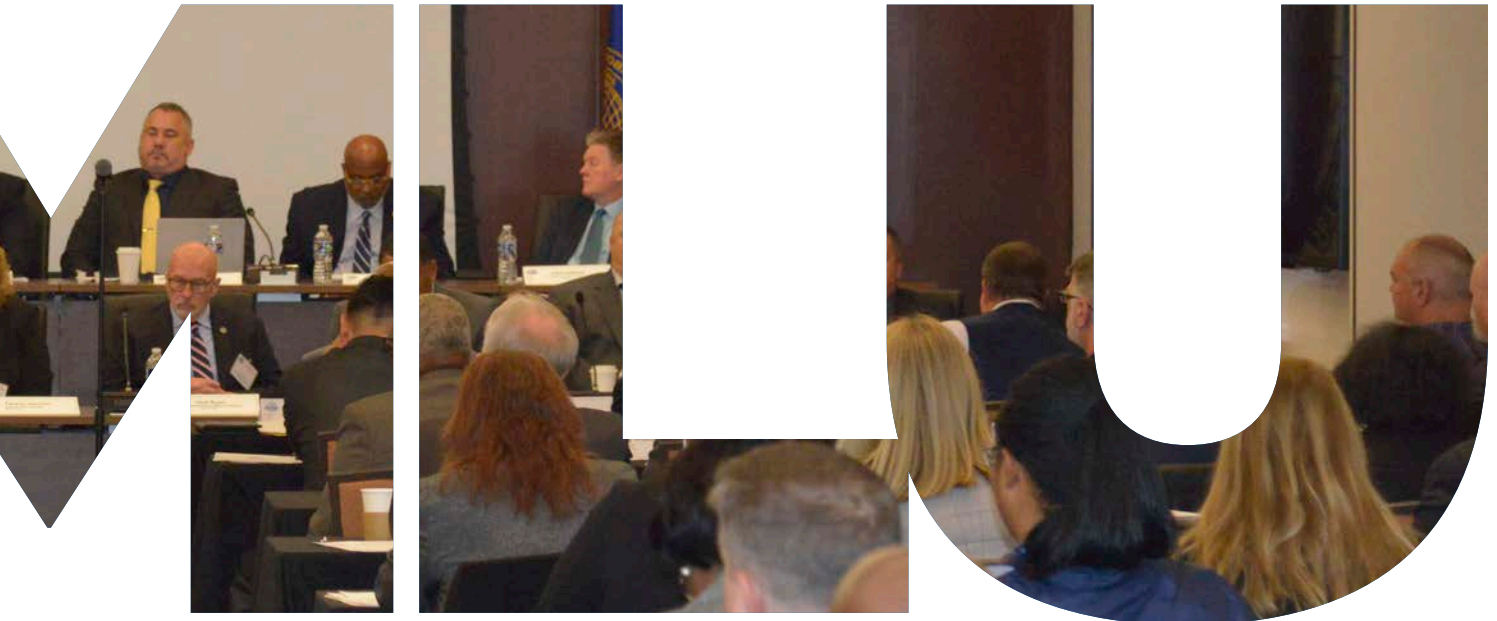
General Counsel, all NPMHU National Office Department Heads, National and Regional Contract Administration Department (CAD) Representatives, as well as officers and representatives from the NPMHU Local Unions.

In his welcoming remarks, National President Hogrogian congratulated the two recently elected Local Presidents; Maurice Torres (Local 313) and Latonia Johnson (Local 314). In addition, President Hogrogian congratulated other recently



National President Paul Hogrogian





ected and re-elected Local Union officers who were in attendance.

Subsequent to these salutations, National President Hogrogian introduced Laborers' International Union of North America (LIUNA) General

President, Terry O'Sullivan, who was received by the SAMLU attendees with thunderous applause. Brother O'Sullivan welcomed Mail Handlers to LIUNA's international headquarters in Washington, DC. General President

O'Sullivan spoke passionately about the upcoming midterm election, the importance of grassroots involvement and get out the vote efforts. Lastly, Brother O'Sullivan addressed the challenges of negotiating a collective bargaining



National Secretary-Treasurer Michael Hora



LIUNA General President Terry O'Sullivan



Eastern Region Vice President John Gibson

agreement and pledged that “LIUNA stands with you, supports you and has your back!”

National President Hogrogian then provided a comprehensive account of the activities of the National Union since the April 2022 Semi-Annual Meeting of the Local Unions. President

Hogrogian addressed a wide array of topics, beginning with the Postal Service’s financial situation and the status of national mail volume.

The financial information provided by USPS for the third quarter of fiscal year (FY) 2022 (April 1 through June 30, 2022), reflects that the Postal Service

had a net gain of \$59.7 billion due to a one-time non-cash benefit of the Postal Service Reform Act (PSRA) of 2022, related to the prefunding mandate. Nevertheless, the Postal Service had an operational loss of \$459 million for the third quarter.

The USPS reported that total mail volume was down 0.7% compared to same quarter last fiscal year. First-class mail was down 5.1%, continuing the downward trend seen in recent years. In fact, first-class mail volume has declined each year for the last fifteen (15) years and is projected to continue to decline into the future. In contrast, marketing mail posted a moderate increase of 3.5 % for the quarter. Package volume, however, has decreased by 5% from last fiscal year but remains higher than those levels in the years before the Covid-19 pandemic. Postmaster General DeJoy maintains an optimistic outlook predicting increased parcel volume into 2023 and beyond.

Next, National President Hogrogian spoke about the make-up of the USPS Board of Governors. The Board of Governors consists of nine (9) Postal Governors in addition to the Postmaster General (PMG) and Deputy Postmaster General (DPMG). The sitting Governors include Robert Duncan, Roman Martinez, William Zollars, Lee Moak, Ron Stroman, Anton Hajjar, Amber McReynolds, Daniel Tangherlini, and Derek Kan. The term of two Governors (Lee Moak and William Zollars) is set to expire. Congresswomen Carolyn Maloney (D-NY-12) and Brenda Lawrence (D-MI-14), both of whom are not running in the general Congressional election, have expressed interest in serving on the USPS Board of Governors.

National President Hogrogian also reviewed the USPS Ten-Year Plan, which sets forth a series of strategies by which USPS management hopes to improve service and ensure financial stability. The major points of the



Northeastern Region Vice President  
Dave Wilkin



Central Region Vice President  
June Harris



Western Region Vice President  
Don Sneesby



Southern Region Vice President  
Lawrence Sapp

10-year plan include: (1) a commitment to six/seven day delivery; (2) new delivery vehicles; (3) planning for package growth; (4) establishing forty six (46) package support annexes; (5) stabilizing the non-career workforce while retaining employee benefits; (6) consolidating and standardizing mail processing operations in select installations; (7) post plan-retail improvements; (8) increased utilization of ground transportation versus air transport; (9) service standard modifications that include new four & five day delivery standards; (10) postal reform; and (11) acquiring rate flexibility. The NPMHU is supportive of most elements of the PMG's Ten-Year Plan, however, we will continue to oppose the consolidation of mail processing operations and the subcontracting of Surface Transportation Centers (STCs).

National President Hogrogian addressed closings and consolidations, noting that we cannot maintain our reliance on past assurances that these actions are on hold in view of the bleak postal finances, continued declines in mail volume, and network redesign references in the PMG's Ten-Year Plan. The Postmaster General projects a deficit reduction of \$150-\$160 billion over the next ten (10) years after capturing savings from Medicare integration, increased revenue through rate flexibility and improved parcel volume, as well as reductions in transportation, infrastructure, and labor.

National President Hogrogian also reviewed an April 27, 2021, notification wherein the Postal Service announced a planned implementation of secondary mail moves for eighteen (18) facilities that will include destinating flats and/or letters. Of the eighteen facilities identified, there are ten (10) where mail handlers are currently working, including Bend (OR), Erie (PA), Gainesville (FL), Huntsville (AL), Mid-Hudson (NY), North Bay (CA), Seattle DDC (WA), Southern Ct (CT), and Wausau



Local 298 President Wayne Foster



Local 299 President Keala Parker



Local 300 President Kevin Tabarus



Local 301 Vice President Sean Sweeney



Local 302 President Tony Coleman



Local 303 President Eddie Cowan



Local 322 President Kelly Dickey



Local 323 President Jeff Larsen

(WI). These installations are not currently destined to close entirely, and should retain parcel processing, cross dock, and other operations. President Hogrogian highlighted two exemplary instances in which the Local Union was able to favorably influence projected impacts. By virtue of an arbitration and the pressures of political influence in Locals 309 and 316, the Erie, PA and Seattle, WA actions were rescinded.

National President Hogrogian spoke about the Postmaster General's

conceptual network redesign considerations, noting a plethora of possibilities driven by facility proximity, volume, standardization, and transportation opportunities.

Regardless of what has already been expressed by postal management, the proposed network redesign is fluid and ever-changing. USPS is proposing plant consolidations in sixty-four (64) metropolitan areas that could impact Regional Distributions Centers (RDCs) and Local Distribution Centers (LDCs) in Atlanta,

Charlotte, Indianapolis, Chicago, and San Juan. As it stands today, many NDCs will likely become RDCs. While some excessing seems inevitable, the NPMHU is working to minimize the negative impact on craft employees as future sites are announced.

Another component of the network redesign includes the establishment of Sorting and Delivery Centers (S&DCs). These large facilities purport to consolidate 34% of all nationwide carrier routes into S&DCs. The USPS is proposing



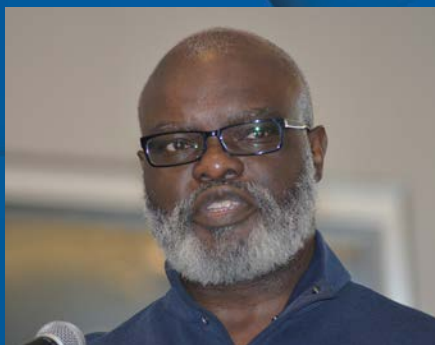
Local 310 President Lisa Greer



Local 314 President Latonia Johnson



Local 312 President Troy Davis



Local 311 President Charles Charleston



Local 316 Recording Secretary Tim Kovac



Local 317 President JC Morris



Local 318 President Nick Mosezar



Local 320 President Bernie Gonzalez



Local 321 President Tony Wilson



Local 313 President Maurice Torres



Local 304 President William 'Bip' McLemore



Local 305 President Felandria Jackson



Local 307 President Jim Haggarty



Local 315 President Joe Harms

to establish more than nine hundred (900) S&DCs nationwide. The near-term target is to establish seventy-five (75) S&DCs by the end of 2023 with three hundred (300) additional S&DCs coming online annually, beginning in 2024.

Subcontracting and redesign of the Surface Transportation Center (STC) network includes the USPS announcement to subcontract the STC operations in Kansas City, Chicago, Seminole/Orlando, Atlanta, Cap Metro, Springfield, New Jersey, Northern California, and Southern California. On

this matter, national level disputes have already been filed. USPS has increased some operations in subcontracted STCs despite informal conversations indicating otherwise. The NPMHU recently prevailed in National arbitration concerning the Postal Service's decision to subcontract Mail Handler work at the Kansas City STC. We are optimistic that this award will impose favorable influence and consequences on other subcontracted STCs.

Subsequently, National President Hogrogian briefed attendees on an

agreement with the USPS to return Terminal Handling Services (THS) work back to the mail handler craft. THS operations tender mail to, and receive mail from, the airlines and FedEx. The Phoenix, Arizona and Anchorage, Alaska THS operations have already been returned to the mail handler craft. The next site is Kansas City with more to follow.

The Postal Service has established forty-six (46) Package Support Annexes (PSAs) located near NDCs or large PDCs. PSAs will support mail processing

facilities in key locations in anticipation of growing package volume. The Postal Service plans to deploy Single Induction Package Sorters (SIPS) in forty-two (42) of the forty-six (46) sites.

National President Hogrogian then provided a comprehensive update on the effects of the COVID-19 pandemic. The USPS is reporting a significant decrease in the COVID infection numbers since February when there were 18,500 postal workers who tested positive for the virus. Recent reports show approximately 1,100 postal workers infected. The CDC also issued new COVID guidelines on August 11, 2022. This revised CDC policy prompted the USPS to modify their mask policy, making the wearing of face masks optional in postal facilities. National CAD Representative Eugene Horton is the point person for all COVID-19 issues.

The USPS established forty-three (43) sites to facilitate the distribution of 500 million COVID test kits to the American public. Mail Handler Assistants (MHAs) complement caps were relaxed by joint memorandum granting hiring and employment in excess of 24.5% for a period extended through October 7, 2022. The USPS has announced its intention to designate twelve of the test kit sites as “*long-term*.” The twelve sites designated as long-term are: Cleveland, Indianapolis, Industry, Las Vegas, Minneapolis, Nashville, New Jersey, Pittsburgh, Raleigh, St. Louis, Stockton, and Washington, D.C. The Postal Service has not yet defined what “*long-term*” means. The remaining thirty-one (31) sites would “ramp down” beginning in September.

National President Hogrogian spoke about the Mail Handler craft complement and the Mail Handler Assistants’ path to career. There were five prominent Memoranda of Understanding (MOU) signed in December 2020, March 2021, June 2021, March 2022, and May 2022 that collectively converted 16,906 MHAs to full-time regular status (FTR)



Local 324 President Dan Riemann



Local 328 President Todd Larson



Local 325 President Dwayne Williams



Local 329 President JR Macon



Local 330 President Bob Griffith



Local 331 President Dave Wisneski



Local 332 President Edvina Tesch



Local 333 President Monica Marshall



Local 334 President Sheldon Adams



Assistant to the National Officers Neil Ryan



Brad Corban, Aetna Manager of Federal Accounts



CAD Manager Teresa Harmon



CAD Representative Andy Badilishamwalimu and Southern Region Vice President Lawrence Sapp



CAD Representative Eugene Horton



CAD Representative Tom Ruther



Western Regional Director Nick Lehto

over a period of twenty (20) months. Total MHA conversions to career full-time regular are more than 37,000 with 35,000 occurring since the signing of the Residual Vacancy MOU.

National President Hogrogian concluded his report addressing the issue of national negotiations of our 2022 National Agreement following the expiration of the 2019 National Agreement on September 20, 2022. A comprehensive review was presented, including the NPMHU's bargaining objectives, as well as economic and non-economic goals. National President Hogrogian noted that the parties continue to make progress towards a tentative agreement worthy of a ratification vote by the membership. Though bargaining has continued past the original deadline this favorable movement was sufficient to warrant a mutual extension to bargaining. Negotiations continue and details will be disseminated in the coming weeks.

In addition, National President Hogrogian recognized and thanked the National Negotiations Team for their continued hard work in negotiations on behalf of the membership. The National Negotiation Team members are National President Hogrogian, Secretary-Treasurer Michael Hora, Manager of the Contract Administration Department (CAD) Teresa Harmon, National CAD Representatives Tom Ruther, Eugene Horton, and Neil Ryan, and our legal team from NPMHU General Counsel's office.

The SAMLU attendees next received National Secretary-Treasurer Hora's detailed presentation on the topic of NPMHU finances: NPMHU financial statements for the quarter ending June 30, 2022, deficit control measures, quarterly and annual expense and revenue analysis, and COVID-19 pandemic related impact on National Union finances were reviewed.

Furthermore, National Secretary-Treasurer Hora's report also included



information on Mail Handler complement; regular and associate membership trends and per capita analysis; revenue projections and allocation among our Union's affiliated organizations; 2022 NPMHU Regular dues increase and per capita changes; 2023 NPMHU Associate Dues increase and billing process; and Cost of Living Allowance (COLA) review. National Secretary-Treasurer Hora discussed the Pay Period 19-2022 dues global adjustment, which is done on a quarterly basis to ensure members' dues deductions are correct.

As part of the ongoing membership recruitment program, National Secretary-Treasurer Hora discussed membership trends, which included recognizing the seven (7) Local Unions that have membership rates of 95% and higher. Also discussed, were the recruitment tools available to Local Unions. These tools include a recruitment video available at [npmhu.org](http://npmhu.org), on the "Hot Topics" tab, and should be played at Mail Handlers orientation. The Form 1187 electronic submission process to HRSSC was discussed in detail.

National Secretary-Treasurer Hora informed the attendees that the National Office has started preparations for the 2024 NPMHU Quadrennial

Convention to be held at Caesars Palace in Las Vegas, NV from August 19 through August 23, 2024.

The National and Local Constitution as amended by the 2020 National Convention are being printed and will be distributed to Local Unions upon completion. The 2020 National and Local Constitution is currently available at the NPMHU website.

National Secretary-Treasurer Hora concluded his presentation with an update on NPMHU mobile app usage. In addition, he referenced the ongoing need for Local Unions to review and update their cybersecurity. Applications for the NPMHU Arthur S. Vallone scholarship program are now open, with applications and eligibility requirements available under the "Member Resources" tab. Finally, the upcoming NPMHU National meetings schedule was provided to attendees. The next scheduled SAMLU is April 3-5, 2023, in Reno, NV. The NPMHU Women's Committee Report was presented by Committee Chair and Vice President Central Region/ Local 306 President, June Harris.

The assembly next heard a report from General Counsel Bruce Lerner on litigation and other pending legal matters involving the NPMHU National Union.

NPMHU Legislative and Political Director Katie Maddocks provided an update on what Mail Handlers can expect in the 2022 Midterm elections. With a projected change of party control in the House of Representatives, the NPMHU can assume a shift in the congressional agenda to come in the new year, with potential attacks against earned retirement and healthcare benefits, as well as a legislature antagonistic to the causes of organized labor. At the time of the SAMLU, the Senate was projected to remain split between parties, which can make moving legislation through, without broad consensus, difficult. To help Mail Handlers better prepare for fights against attacks and ensure the NPMHU legislative agenda is successful, the NPMHU will hold its Legislative Conference from May 2-3, 2023, in Washington, DC. It is the sincere hope that this conference will aid the promotion of our grassroots lobbying efforts.

On Tuesday, November 1, 2022, the attendees received a comprehensive report regarding various matters related to the Mail Handlers Benefit Plan® (MHBP) from Executive Director Nina Gallaresi, Manager of Health Plan Operations, Melissa Shea, and Brad Corban, Aetna Director of



National Accounts. MHBP representatives provided an update on all health plan matters including 2023 Open Season, plan premiums and benefits, enrollment trends, recruitment, marketing, plan options including the Medicare Advantage Prescription Drug (MAPD) program, and the partial reimbursement program. The health plan presentation concluded with a screening of the new MHBP promotional video that is widely available to union representatives.

Next, National CAD Representative Eugene Horton, provided a full report and entertained questions on activities of the Contract Administration Department (CAD) since the last meeting of the Local Unions. This presentation was based on the written report that was distributed electronically before the meeting (and is posted at the MAIIS tab at [npmhu.org](http://npmhu.org)) and included the following topics:

- The 2019 National Agreement
- The 2022 National Agreement & Bargaining
- Bidding Memorandum
- MOU: Additional Staffing with MHA Conversions
- Mail Handler Workforce

- COVID-19 Related Updates
- COVID-19 Test Kits
- Article 12 Task Force
- Postal Service Health Benefits Program (PSHB)
- RI-399 Jurisdictional Disputes
- Mech Tech
- Sorting and Delivery Centers (S&DCs)
- Regional Processing and Distribution Centers (RPDCs)
- National Arbitration Decision: Article 32 and the Subcontracting of the Kansas City STC
- Ending of the Open Area Mail Processing (AMP) Studies
- Subcontracting Committee
- Hydrogen Fuel Cell Batteries
- Sensor Enabled Location System (SELS)
- Use of eRMS for all Leave Entry
- Modified Arbitration Process (MAP)
- Mobile Delivery Device
- Cases Pending National Arbitration
- Pay Adjustment on the 10/14/2022 Pay Checks

- Quality of Work Life (QWL)
- Combined Federal Campaign (CFC)
- Postal Pulse Survey FY 2022
- Employee Assistance Program (EAP)
- Step 4 Appeals

Following CAD Representative Horton's report, the Article 12 Task Force and the RI-399 briefing was presented by CAD Representative Tom Ruther. The topics discussed included the most recent Conversion MOU signed in July 2022 and its implementation, bids being posted correctly and the award from Arbitrator Sharnoff on the ADUS. There was also a lively discussion on the processing of disputes of equipment being deployed throughout the Postal Service and how the RI-399 Update MOU applies.

The Semi-Annual Meeting of the Local Unions was concluded with a round-robin questions and answers session to allow all Local Unions to raise any other issues not already covered. Then, without any further business before the body, the Semi-Annual Meeting of the Local Unions was adjourned.

