

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Unionville Iowa Post Office
Unionville, Iowa

Docket No. A2011-25

REPLY BRIEF OF THE PUBLIC REPRESENTATIVE

August 15, 2011

I. INTRODUCTION AND BACKGROUND

On July 21, 2011, the Commission docketed the petition for review of the closing of the Unionville, Iowa Post Office (Unionville Post Office) in Unionville, Iowa.¹ On July 22, 2011, the Commission issued an order instituting the current review proceedings, appointing a Public Representative, and establishing a procedural schedule.² Thereafter, on August 5, 2011, the Postal Service filed an electronic version of the administrative record (AR) concerning its Final Determination to Close the Unionville Iowa Post Office, Postal Service Docket Number 1385430-52594.³

¹ Petition for Review (Petition). received from Dorothy J. Smith regarding Unionville, IA Post Office, July 21, 2011.

² Notice and Order Accepting Appeal and Establishing Procedural Schedule, July 22, 2011 (Order No. 767).

³ United States Postal Service Notice of Filing, August 5, 2011.

II. STATEMENT OF FACTS

The Unionville Post Office is described by the Postal Service in its Final Determination as an EAS-53 level post office located in Unionville, Iowa. AR Item No. 47, at 2. Before being closed, the Unionville Post Office provided service to 42 post office box customers, no delivery customers, and retail customers engaged in an average of 4 daily window transactions. *Id.*

On January 7, 2011, the Manager of Post Office Operations for Annapoos County, Iowa, requested permission to investigate the possible closure of the Unionville Post Office. AR Item No. 1. The District Manager, Hawkeye PFC, granted the request. *Id.*

On February 11, 2011, the Postal Service posted a notice informing Unionville patrons that the Postal Service was "considering a possible change in the way [their] postal service is provided." AR, at 66. The notice stated that should the proposed change be approved, customers' retail and delivery services would be provided by the Moravia retail postal facility (Moravia) 9 miles away, where 118 post office boxes were available for a fee.⁴ Customers were also informed that they could access retail services at the nearby Udell Post Office (Udell) 7 miles away, where there were 41 post office boxes available and had the option of using roadside boxes and rural or contract delivery carrier service. AR at 66; Item No. 33, at 7. The Postal Service provided customers with questionnaires to be completed and returned by March 1, 2011, and extended an invitation to customers to attend a public meeting on February 28, 2011, where Postal Service representatives would be available to answer questions and provide information about postal service. AR, at 66; Item No. 33, at 2. The notice remained posted at the Unionville Post Office from until May 22, 2011. AR Item 33, at 2. Included, was the Postal Service's "Notice of Taking Proposal and Comments Under Internal Consideration." AR Item No. 37.

Of the 42 questionnaires distributed by the Postal Service, 16 were completed and returned: 1 responded favorably to the proposal; 8 expressed opposition or

⁴ *Id.*; AR Item No. 33, at 2; Item No. 42. Moravia currently provides both fire protection and the school used by the Unionville community. AR page 16.

concern; and 7 expressed no opinion. *Id.* The meeting was held on February 28, 2011, as scheduled with 35 customers in attendance. AR Item No. 33, at 2.

On March 10, 2011, notice of the official proposal for discontinuance was forwarded by the Post Office Review Coordinator for the Hawkeye PFC District to the Officer In Charge (OIC) of the Unionville Post Office, instructing the latter to post the proposal in a prominent place, along with the "Invitation for Comments," from March 21, 2011 through May 22, 2011. AR, page 31f. The notice informed customers that copies of the proposal and optional comment forms were available upon request at the Unionville Post Office. *Id.* The Final Determination to close the Unionville Post Office was signed by the Vice President for Delivery and Post Office Operations on June 10, 2011. AR Item no. 47. On June 14, 2011, the Final Determination was posted for a period of sixty days, all materials upon which the Final Determination was based were made available for public inspection, and patrons were invited to comment at the Unionville Post Office, Moravia, and Udell. No additional comments were received. *Id.*

On June 10, 2011, the Final Determination to close the Unionville Post Office was approved. AR Item 47, at 9. The decision was based upon (1) the postmaster vacancy since January 20, 2006; (2) the decline in workload; (3) the retail services at the Udell postal facility, approximately 7 miles away, and retail and delivery services from and Moravia postal facility, approximately 9 miles away; and (4) an estimated annual savings to the Postal Service of approximately \$18,777. *Id.* The Final Determination also considered and responded to various concerns expressed by postal customers at the February 28, 2011, public meeting. *Id.*, at 3-8.

III. POSITIONS OF THE PARTIES

A. The Petitioners

In their Petition for Review, the Petitioners argue that the Postal Service did not adequately consider the effect the closure would have on the community. Petition at 1. Specifically, the Petitioner asserts the Unionville Post Office is the "main spoke in the wheel of our town," and its closure will be problematic for the elderly. *Id.*

B. The Postal Service

On August 5, 2011, the Postal Service filed an electronic version of the administrative record concerning its Final Determination to Close the Unionville Iowa Post Office. In that filing, the Postal Service argues, that: (1) it has met all procedural requirements; (2) considered the effect of the consolidation and subsequent discontinuance of Unionville postal services, on the community; and (3) addressed the concerns expressed by customers during the discontinuance process. AR Item No. 33.

IV. STANDARD OF REVIEW AND APPLICABLE LAW

A. Standard of Review

The Commission's authority to review post office closings provided by 39 U.S.C. § 404(d)(5). That section requires that the Postal Service's determination be reviewed on the basis of the record that was before the Postal Service. The Commission is empowered by section 404(d)(5) to set aside any determination, findings, and conclusions that it finds are: (A) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law; (B) without observance of procedure required by law; or (C) unsupported by substantial evidence in the record. Should the Commission set aside any such determination, findings, or conclusions, it may remand the entire matter to the Postal Service for further consideration. Section 404(d)(5) does not, however, authorize the Commission to modify the Postal Service's determination by substituting its judgment for that of the Postal Service.⁵

B. The Law Governing Postal Service Determinations

Prior to making a final determination to close or consolidate a post office, the Postal Service is required by 39 U.S.C. § 404 to consider: (i) the effect of the closing on the community served; (ii) the effect on the employees of the Postal Service employed at the office; (iii) whether the closing is consistent with the Postal Service's provision of

⁵ Section 404(d)(5) also authorizes the Commission to suspend the effectiveness of a Postal Service determination pending disposition of the appeal. None of the petitioners in this proceeding requested suspension of the closure of the Peach Orchard Post Office.

“a maximum degree of effective and regular postal services to rural areas, communities, and small towns where post offices are not self-sustaining;” (iv) the economic savings to the Postal Service due to the closing; and (v) such other factors as the Postal Service determines are necessary. See 39 U.S.C. § 404(d)(2)(A)

In addition, the Postal Service’s final determination must be in writing, address the aforementioned considerations, and be made available to persons served by the post office. 39 U.S.C. § 404(d)(3). Finally, the Postal Service is prohibited from taking any action to close a post office until 60 days after its final determination is made available. 39 U.S.C. § 404(d)(4).

V. ADEQUACY OF THE POSTAL SERVICE’S FINAL DETERMINATION

The Postal Service appears to have followed applicable procedures and weighed the proper elements in the decision to close the Unionville Post Office. Nevertheless, in an effort to better complete the record, there is one issue that needs to be highlighted: the failure of the Postal Service to accurately calculate the economic savings expected from the discontinuance of the Unionville Post Office.

The Unionville Post Office has operated without a career Postmaster since January 2006. Since then, there has been an OIC managing the Unionville facility. AR at 15; Item No. 33, at 4. This individual is a career employee; a PRF clerk from outside of Seymour, Iowa, who was transferred to Unionville with the understanding that the transfer was temporary. *Id.* The OIC’s annual salary is \$14,071. AR Item No. 25, at 1; Item 47, at 9. This \$14,071 accounts for approximately 75% of the \$18,777 the Postal Service states it will save by discontinuing the Unionville Post Office. However, the Postal Service fails to commit to transferring, promoting, or separating this career employee from the Postal Service. Without such a primary decision, the Postal Service cannot justly say that it will or can expect to net a savings of \$18,777, especially when two of the three options available to it may result in an actual increase in the OIC’s \$14,071 salary. This ultimately calls into question the amount of actual savings from the Unionville closure, i.e., whether the rural route carrier service costs substantially less than maintaining the Unionville Post Office, and consequently, the weight these

perceived savings should have in the Commission's review of the Postal Service's decision to close the Unionville Post Office.

Nevertheless, after careful review of the Postal Service's Final Determination, the materials in the Administrative Record, the arguments presented by Petitioners and the Petition submitted by customers of the Unionville Post Office, the Public Representative concludes that the Postal Service has followed applicable procedures; the decision to close the Unionville Post Office is neither arbitrary nor capricious; and the Postal Service's decision that an independent office in Unionville is not warranted, is supported by substantial evidence, including: the significant decline in workload; guaranteed reduction in overhead costs; and the presence of two accessible retail facilities.

VI. CONCLUSION

For the reasons set forth above, the decision of the Postal Service to close the Unionville Post Office should be affirmed.

Respectfully Submitted,

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