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

Hoxie Post Office
Hoxie, Arkansas

Docket No. A2011-36

COMMENTS OF THE PUBLIC REPRESENTATIVE

(November 7, 2011)

I. SUMMMARY OF PROCEEDINGS

The Commission received an appeal for review of the closing of the Hoxie, Arkansas Post Office. The petition which was filed by Lanny Tinker, Mayor of the city of Hoxie, Arkansas (Petitioner) is dated July 22, 2011, and was posted on the Commission's website on August 2, 2011.[1] In Order No. 787 the Commission instituted a proceeding under 39 U.S.C. 404(d)(5), designated the case as Docket No. A2011-36 to consider the Petitioner's appeal and designated the undersigned as Public Representative.[2]

The Petitioner raises the following issues: (1) the Postal Service failed to consider whether or not it will continue to provide a maximum degree of effective and regular postal services to the community (*see* 39 U.S.C. 404(d)(2)(A)(iii)); (2) the Postal Service failed to consider the effect of the closing on the community (*see* 39 U.S.C.

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[1] Petition Received from Lanny Tinker Regarding the Goodwin Post Office, July 22, 2011, (Petition).

[2] Notice and Order Accepting Appeal and Establishing Procedural Schedule, August 2, 2011 (Order No. 787).

404(d)(2)(A)(i); and (3) the Postal Service failed to adequately consider the economic savings resulting from the closure (*see* 39 U.S.C. 404(d)(2)(A)(iv)).

The Commission's Notice designated August 15, 2011, as the date for the Postal Service to file the administrative record. On August 15, 2011, the Postal Service filed an electronic copy of the administrative record in response to Order No. 787.[3] The Commission's Notice also set forth the date for the Petitioner's filing of a brief or supplemental response. The Petitioner's response was due on September 2, 2011. The Petitioner did not file an additional brief or Form 61. Comments were filed by the Postal Service on September 22, 2011.[4] In its Comments the Postal Service states that the appeal presents the issues as: (1) the effect on postal services, (2) the impact on the Hoxie community and (3) determination of economic savings expected to result from consolidation of the Hoxie Post Office and its reclassification as a branch, rather than a post office. Postal Service Comments at 1.

II. DISCUSSION

The Petitioner asserts that specific problems will result from the action to reclassify the Hoxie Post Office to a branch. Petition at 1. First, he maintains that the consolidation of the Hoxie Post Office causes a loss of community identity and harm because of not having a postmaster to address complaints or receive compliments regarding service. Second, he asserts that the consolidation impairs customers' ability to purchase postal service products and senior citizens, who may not have transportation, lose a social center. Finally, he contends that the economic savings asserted by the Postal Service from the elimination of the postmaster position may not be actual savings if the employee in charge of the consolidated location makes as much as the former postmaster. *Id*. The Petitioner does not raise additional issues in a brief or supplemental filing. However, patrons of the Hoxie Post Office have filed their

[3] United States Postal Service Notice of Filing, August 15, 2011 (Administrative Record).

[4] United States Postal Service Comments Regarding Appeal, September 22, 2011 (Postal Service Comments).

objections to the consolidation with the Commission. On October 19, 2011, the Commission filed on its website additional letters from citizens concerned about the consolidation of the Hoxie Post Office.[5]

Regular and effective postal services. The Postal Service's administrative record provides background on the Hoxie Post Office. A review of the administrative record shows that the Postal Service initiated the consolidation study in November 30, 2010. AR Item No. 1 at 1. A letter to David Camp, District Manager, dated November 30, 2010, which approved the initial discontinuance study, provided that the rationale for the closing was the postmaster vacancy and the proximity to another post office within 5 miles. The consolidation proposal did not propose a ZIP Code change or discontinuance. *Id.*

On November 30, 2010, a letter was sent to Hoxie Post Office customers describing the proposed consolidation. AR Item No. 21 at 1. In its description of the proposed action the letter states, "The Office is being studied for possible closing or consolidation for the following reasons: POSTMASTER DOWNGRADED-within 5 miles of nearest office. Not discontinuing this office, reclassifying it as a Branch of Walnut Ridge." *Id.* The letter summarizes the change as, "[W]e would like to provide pickup and delivery of your mail, as well as the sale of stamps and all other customary postal services, by classified branch emanating from the Walnut Ridge Post Office." *Id.* The bureaucratic explanation of the letter's intent appears muddled but fortunately; the letter also indicates that postal representatives would be available to respond to questions on February 17, 2011.[6] Additionally, questionnaires were made available to delivery and walk in customers beginning on November 30, 2010. Final Determination at 1. Of 1738 questionnaires distributed the administrative record indicates that 240 responses were received. It states the responses were 97 favorable, 69 unfavorable and 74 with no

[5] Letters from Concerned Citizens of Hoxie, AK, October 19, 2011 (Letters from Hoxie Post Office Customers).

[6] The administrative record includes a letter dated March, 1, 2011, which clarifies that the Postal Service plans to consolidate the Hoxie Post Office with the Walnut Ridge Post Office and allows an additional 60 days for comments. AR Item No. 32 Page 1.

opinion. The total number of these as described equals 180 responses. There is no explanation provided for the total of 240 presented in the record.

The Hoxie Post Office, an EAS -16 level facility, provided service from 8:30 a.m. to 4:00 p.m., Monday through Friday with 24 hour lobby hours available Monday through Saturday. It provided service to 197 post office box customers and 1, 285 delivery customers. *Id.* The retail window transactions averaged 51 transactions for a total of 54 minutes of retail workload per day. The Office was considered for consolidation and downgrade to a branch of the Walnut Ridge Post Office located two miles away because the postmaster position was downgraded and a post office was within five miles of the facility. *Id.* The record reveals that as a classified branch Hoxie will provide at least the same number of window service hours and services as it formerly did as a post office. Retail Services can also be provided at the Walnut Ridge Post Office, which has window service from 8:30 to 4:00 Monday through Friday with no services available on Saturday. *Id.* The change for the Hoxie Post Office results in delivery, permit mail acceptance and postage meter setting services provided by the Walnut Ridge, Post Office, loss of a postmaster position and administrative supervision by the Walnut Ridge Post Office. The Final Determination states that retail and post office box service will continue to be provided at the Hoxie branch. *Id.* The record contains the results of questionnaires and responses from the Postal Service, community meetings and responses to issues raised that demonstrate that the Postal Service considered the community's concerns about the consolidation's effect on postal services. Based on a review of the administrative record and petitioner's concerns it appears that the postal service can provide regular and effective postal services with the reclassification of the Hoxie Post Office to a branch facility. It has complied with 39 U.S.C. 404(d)(2)(A)(iii)).

Economic savings. The Postal Service estimates that the economic savings from closing the Hoxie Post Office amount to $73,326. The sole source of savings is from the postmaster salary and fringe benefits. The Post Office's Final Determination provides that there are $0 costs for replacement service. *Id.* Item 17, Pg. 5. In its

Comments, the Postal Service states that it has properly considered the economic impact of the closing. Postal Service Comments at 8-9. The Postal Service's Comments do not address the salary or benefits of the employee in charge of the Hoxie branch. There may be costs associated with the realignment of personnel to staff the Hoxie branch after the consolidation. However, the Public Representative's view is that some administrative expenses may result but the costs associated with post office consolidation, closure or other changes are not usually itemized in sufficient detail. It is also possible that changes in staff may have minimal costs and some savings may result.

Effect on the Hoxie Community. The change of the Hoxie Post Office to a branch location allows the community to keep its ZIP Code and maintains the facility within the community. Additionally, if senior citizens and others see a need for use of the facility as a meeting place, it appears that it may still serve that purpose. The Postal Service Comments indicate that the branch will be staffed by postal employees. Comments at 9. The record supports the Postal Service's claim that it has considered the effect on the Hoxie Community. Therefore, it did comply with 39 U.S.C. 404(d)(2)(A)(i).

Respectfully Submitted,
/s/ Cassandra L. Hicks_____
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