

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

Before Commissioners:

Ruth Y. Goldway, Chairman;  
Nanci E. Langley, Vice Chairman;  
Mark Acton; and  
Robert G. Taub

Amoret Post Office  
Amoret, Missouri

Docket No. A2012-42

ORDER AFFIRMING DETERMINATION

(Issued February 10, 2012)

I. INTRODUCTION

On December 15, 2011, the Postal Service advised the Commission that it “will delay the closing or consolidation of any Post Office until May 15, 2012.”<sup>1</sup> The Postal Service further indicated that it “will proceed with the discontinuance process for any Post Office in which a Final Determination was already posted as of December 12, 2011, including all pending appeals.” *Id.* It stated that the only “Post Offices” subject to closing prior to May 16, 2012 are those that were not in operation on, and for which a Final Determination was posted as of, December 12, 2011. *Id.* It affirmed that it “will not close or consolidate any other Post Office prior to May 16, 2012.” *Id.* at 2. Lastly,

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<sup>1</sup> United States Postal Service Notice of Status of the Moratorium on Post Office Discontinuance Actions, December 15, 2011, at 1 (Notice).

the Postal Service requested the Commission “to continue adjudicating appeals as provided in the 120-day decisional schedule for each proceeding.” *Id.*

The Postal Service’s Notice outlines the parameters of its newly announced discontinuance policy. Pursuant to the Postal Service’s request, the Commission will fulfill its appellate responsibilities under 39 U.S.C. § 404(d)(5).

On October 27, 2011, Norma Ridley and the Citizens of Amoret filed a petition with the Commission seeking review of the Postal Service’s Final Determination to close the Amoret, Missouri post office (Amoret post office).<sup>2</sup> Additional petitions for review were received from Mildred K. Bell and Jane Hettinger.<sup>3</sup> The Final Determination to close the Amoret post office is affirmed.<sup>4</sup>

## II. PROCEDURAL HISTORY

On November 4, 2011, the Commission established Docket No. A2012-42 to consider the appeal, designated a Public Representative, and directed the Postal Service to file its Administrative Record and any responsive pleadings.<sup>5</sup>

On November 14, 2011, the Postal Service filed the Administrative Record with the Commission.<sup>6</sup>

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<sup>2</sup> Petition for Review received from Norma Ridley and the Citizens of Amoret regarding Amoret, Missouri post office 64722, October 27, 2011 (Petition).

<sup>3</sup> Petition for Review received from Mildred K. Bell regarding the Amoret, Missouri post office 64722, October 28, 2011 (Bell Petition); Petition for Review received from Jane Hettinger, City Clerk of Amoret regarding the Amoret, Missouri post office 64722, November 7, 2011 (Hettinger Petition). Collectively, they will all be referred to as Petitioners.

<sup>4</sup> The Commission is divided equally, 2-2, on the outcome of this appeal. In the absence of a majority, the Final Determination stands.

<sup>5</sup> Order No. 949, Notice and Order Accepting Appeal and Establishing Procedural Schedule, November 4, 2011.

<sup>6</sup> The Administrative Record is attached to the United States Postal Service Notice of Filing, November 14, 2011 (Administrative Record). The Administrative Record includes, as Item No. 47, the Final Determination to Close the Amoret, MO Post Office and Establish Service by Rural Route Service (Final Determination).

The Postal Service also filed comments requesting that the Commission affirm its Final Determination.<sup>7</sup>

Petitioners filed participant statements supporting their Petition.<sup>8</sup> The Public Representative did not file a pleading in this case.

### III. BACKGROUND

The Amoret post office provides retail postal services and service to 63 post office box or general delivery customers. Final Determination at 2. No delivery customers are served through this post office. The Amoret post office, an EAS-55 level facility, provides retail service from 8:45 a.m. to 11:45 a.m. and 1:00 p.m. to 4:15 p.m., Monday through Friday, and 8:00 a.m. to 10:00 a.m. on Saturday. Lobby access hours are 8:30 a.m. to 4:30 p.m., Monday through Friday, and 8:00 a.m. to 10:00 a.m. on Saturday. *Id.*

The postmaster position became vacant on November 1, 2010 when the Amoret postmaster retired. An officer-in-charge (OIC) was installed to operate the post office. Retail transactions average 8 transactions daily (8 minutes of retail workload). Post office receipts for the last 3 years were \$19,372 in FY 2008; \$18,408 in FY 2009; and \$19,505 in FY 2010. There were two permit or postage meter customers. *Id.* By closing this post office, the Postal Service anticipates savings of \$30,525 annually. *Id.* at 10.

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<sup>7</sup> Answering Brief in Support of the Postal Service, December 21, 2011 (Postal Service Answering Brief).

<sup>8</sup> Participant statement received from the Citizens of Amoret, November 28, 2011 (Citizens Participant Statement); participant statement received from Mildred K. Bell, December 1, 2011 (Bell Participant Statement); participant statement received from Jane Hettinger, December 6, 2011 (Hettinger Participant Statement).

After the closure, retail services will be provided by the Butler post office located approximately 15 miles away and the Amsterdam post office located approximately 7 miles away.<sup>9</sup> *Id.* at 2. Delivery service will be provided by rural route service through the Butler post office. The Butler post office is an EAS-18 level post office, with retail hours of 8:00 a.m. to 4:30 p.m., Monday through Friday, and 8:00 a.m. to 12:00 p.m. on Saturday. One-hundred-six (106) post office boxes are available. *Id.* The Amsterdam post office is an EAS-13 level facility with retail hours of 7:30 a.m. to 12:00 p.m. and 1:00 p.m. to 4:15 p.m., Monday through Friday, and 8:00 a.m. to 9:45 a.m. on Saturday. There are 76 post office boxes available for rent. The Postal Service will continue to use the Amoret name and ZIP Code. *Id.* at 8, Concern No. 42.

#### IV. PARTICIPANT PLEADINGS

*Petitioners.* Petitioners oppose the closure of the Amoret post office. Petitioners assert that the Postal Service improperly handled the discontinuance study procedurally. Petition at 1; Bell Petition at 1; Bell Participant Statement at 2-4. Petitioners raise concerns that once the post office is closed, Amoret will no longer be eligible for federal grants for capital projects. Citizens Participant Statement at 3; Bell Participant Statement at 3; Hettinger Petition at 1.

Petitioners also argue that closure will adversely affect the larger Amoret community. Bell Petition at 2; Hettinger Participant Statement at 1; Citizens Participant Statement at 2-3; Bell Participant Statement at 3. Finally, Petitioners question the Postal Service's economic savings analysis note that retail revenue at Amoret actually increased between FY 2009 and FY 2010. Citizens Participant Statement at 1-2; Bell Participant Statement at 2, 4; Hettinger Participant Statement at 1-2.

*Postal Service.* The Postal Service argues that the Commission should affirm its determination to close the Amoret post office. Postal Service Answering Brief at 2. The

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<sup>9</sup> MapQuest estimates the driving distance between the Amoret and Butler post offices to be approximately 15.3 miles (24 minutes driving time). MapQuest estimates the driving distance between the Amoret and Amsterdam post offices to be approximately 5.0 miles (7 minutes driving time).

Postal Service believes the appeal raises four main issues: (1) a failure to follow procedures required by law; (2) the effect on postal services; (3) the impact on the Amoret community; and (4) the economic savings expected to result from discontinuing the Amoret post office. *Id.* at 1. The Postal Service asserts that it has given these and other statutory issues serious consideration and concludes that the determination to discontinue the Amoret post office should be affirmed. *Id.* at 17.

The Postal Service explains that its decision to close the Amoret post office was based on several factors, including:

- the postmaster vacancy;
- a minimal workload and low office revenue;
- a variety of other delivery and retail options (including the convenience of rural delivery and retail service);
- minimal impact on the community; and
- expected financial savings.

*Id.* at 5. The Postal Service contends that it will continue to provide regular and effective postal services to the Amoret community when the Final Determination is implemented. *Id.* at 6. The Postal Service also asserts that it has followed all statutorily required procedures and has addressed the concerns raised by Petitioners regarding the effect on postal services, the effect on the Amoret community, economic savings, and the effect on postal employees. *Id.* at 16.

## V. COMMISSION ANALYSIS

The Commission's authority to review post office closings is provided by 39 U.S.C. § 404(d)(5). That section requires the Commission to review the Postal Service's determination to close or consolidate a post office 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 to be (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.

A. Notice to Customers

Section 404(d)(1) requires that, prior to making a determination to close any post office, the Postal Service must provide notice of its intent to close. Notice must be given 60 days before the proposed closure date to ensure that patrons have an opportunity to present their views regarding the closing. The Postal Service may not take any action to close a post office until 60 days after its determination is made available to persons served by that post office. 39 U.S.C. § 404(d)(4). A decision to close a post office may be appealed within 30 days after the determination is made available to persons served by the post office. 39 U.S.C. § 404(d)(5).

The Administrative Record indicates the Postal Service took the following steps in providing notice of its intent to close. On May 5, 2011, the Postal Service distributed questionnaires to customers regarding the possible change in service at the Amoret post office. Final Determination at 2. A total of 227 questionnaires were distributed to customers. Other questionnaires were made available at the retail counter. A total of 66 questionnaires were returned. On May 23, 2011, the Postal Service held a community meeting at the Amoret Community Building to address customer concerns. *Id.* Eighty-two (82) customers attended. *Id.*

The Postal Service posted the proposal to close the Amoret post office with an invitation for comments at the Amoret, Butler, and Amsterdam post offices from June 21, 2011 to August 22, 2011. Final Determination at 2. The Final Determination was posted at the same three post offices from October 4, 2011 to November 8, 2011. Administrative Record, Item No. 49.

Petitioners allege that the Postal Service did not follow proper procedures in the discontinuance study process. They argue that the Discontinuance Coordinator, rather than the District Manager or Manager of Post Office Operations, conducted the management presentation at the meeting. Citizens Petition at 1; Bell Petition at 1. The Postal Service responds that, although the Discontinuance Handbook identifies particular roles for local officials, practical realities may require the responsibilities be delegated in some circumstances. Postal Service Answering Brief at 6.<sup>10</sup>

Petitioners take issue with the Postal Service's responses to customer concerns. Bell Participant Statement at 3-4. The Postal Service admits that some of these responses may be "standard" because these same questions have been posed in other discontinuance dockets, but asserts that the answers provided are responsive to the concerns raised. Postal Service Answering Brief at 8.

The Postal Service has satisfied the notice requirements of 39 U.S.C. § 404(d).

#### B. Other Statutory Considerations

In making a determination on whether or not to close a post office, the Postal Service must consider the following factors: the effect on the community; the effect on postal employees; whether a maximum degree of effective and regular postal service will be provided; and the economic savings to the Postal Service. 39 U.S.C. § 404(d)(2)(A).

*Effect on the community.* Amoret, Missouri is an incorporated community located in Bates County, Missouri. Administrative Record, Item No. 16. The community is administered politically by Bates County. Police protection is provided by the Bates County Sheriff. Fire protection is provided by the Amoret Fire Department. The community is comprised of retirees, farmers, those who are self-employed or work in local businesses, and those who commute to work at nearby communities. *Id.* Residents may travel to nearby communities for other supplies and services. See

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<sup>10</sup> Handbook PO-101, Postal Service Operated Retail Facilities Discontinuance Guide.

*generally* Administrative Record, Item No. 22 (returned customer questionnaires and Postal Service response letters).

As a general matter, the Postal Service solicits input from the community by distributing questionnaires to customers and holding a community meeting. The Postal Service met with members of the Amoret community and solicited input from the community with questionnaires. In response to the Postal Service's proposal to close the Amoret post office, customers raised concerns regarding the effect of the closure on the community. Their concerns and the Postal Service's responses are summarized in the Final Determination. Final Determination at 9-10.

Petitioners allege that if the post office is closed, Amoret will no longer be eligible for federal grant money for capital projects such as sewer repairs and water lines. Citizens Participant Statement at 3; Bell Participant Statement at 3; Hettinger Petition at 1. The Postal Service responds that even if a municipality does suffer such a loss, this impact is not included in its economic savings calculation. Postal Service Answering Brief at 8.

The Postal Service has adequately considered the effect of the post office closing on the community as required by 39 U.S.C. § 404(d)(2)(A)(i).

*Effect on employees.* The Postal Service states that the Amoret postmaster retired on November 1, 2010 and that an OIC has operated the Amoret post office since then. Final Determination at 10. It asserts that after the Final Determination is implemented, the temporary OIC may be separated and that no other Postal Service employee will be adversely affected. *Id.*

The Postal Service has considered the possible effects of the post office closing on the OIC and has satisfied its obligation to consider the effect of the closing on employees at the Amoret post office as required by 39 U.S.C. § 404(d)(2)(A)(ii).

*Effective and regular service.* The Postal Service contends that it has considered the effect the closing will have on postal services provided to Amoret customers. Postal Service Answering Brief at 9. It asserts that customers of the closed Amoret post office may obtain retail services at the Butler post office located 15 miles away or the

Amsterdam post office located 7 miles away. Final Determination at 2. Delivery service will be provided by rural route service through the Butler post office. The Amoret post office box customers may obtain Post Office Box service at the Butler post office, which has 106 post office boxes available, or the Amsterdam post office, which has 76 post office boxes available for rent. *Id.*

Petitioners are concerned about senior citizens and residents unable to drive to nearby communities. Citizens Participant Statement at 1; Bell Participant Statement at 3. The Postal Service explains that for customers choosing not to travel to the Butler or Amsterdam post offices, retail services will be available from the carrier. Postal Service Answering Brief at 10. The Postal Service adds that it is not necessary to meet the carrier for service since most transactions do not require meeting the carrier at the mailbox. *Id.*

Petitioners also argue that the Amoret post office is more than a community post office, since it is situated off a state highway and is therefore available to truckers and out-of-towners who may be traveling through Amoret. Bell Petition at 2; Bell Participant Statement at 3; Citizens Participant Statement at 2; Hettinger Participant Statement at 1. The Postal Service responds that truckers and travelers may use postal services in their hometowns or elsewhere along their route. Postal Service Answering Brief at 10-11.

Finally, Petitioners are concerned about customers who want to mail packages via rural carrier. Citizens Participant Statement at 3; Bell Participant Statement at 3; Hettinger Participant Statement at 2. The Postal Service notes, as explained in the Administrative Record, that the rural carrier will accept packages or letters for mailing via any service method. Postal Service Answering Brief at 11.

The Postal Service has considered the issues raised by customers concerning effective and regular service as required by 39 U.S.C. § 404(d)(2)(A)(iii).

*Economic savings.* The Postal Service estimates total annual savings of \$30,525. Final Determination at 10. It derives this figure by summing the following

costs: postmaster salary and benefits (\$30,740) and annual lease costs (\$4,418), minus the cost of replacement service (\$4,633). *Id.*

The Postal Service argues that rural carrier service would cost substantially less than maintaining the Amoret post office and would still provide regular and effective service. Postal Service Answering Brief at 14.

Petitioners assert that retail revenue at the Amoret post office increased between FY 2009 and FY 2010. Bell Participant Statement at 2. The Postal Service recognizes that there was a small increase in revenue; however, that increase was preceded by a decrease the previous year. Postal Service Answering Brief at 14. The Postal Service points out that the increase from FY 2009 to FY 2010 does not necessarily indicate an upsurge in retail business, particularly since the post office averaged only 8 transactions per day. The Postal Service notes that it also analyzed the Amoret post office workload and revenue before determining that regular and effective postal services could be provided by rural carrier service. *Id.*

Petitioners state that there is no breakdown of rural carrier costs. Bell Participant Statement at 4. The Postal Service asserts that the Rural Route Cost Analysis provides a detailed breakdown of the costs for alternative replacement service, including rural carrier costs. Postal Service Answering Brief at 15.

Petitioners take issue with the Window Transaction Survey and argue that it understates the business conducted at the post office. Citizens Participant Statement at 1-2; Bell Participant Statement at 2; Hettinger Participant Statement at 1-2. The Postal Service responds that Petitioners provided no support for their assertion that the workload analysis was incorrect. Postal Service Answering Brief at 7.

Finally, Petitioners question whether the Postal Service is required to honor the Amoret lease. Bell Participant Statement at 4. The Postal Service notes that the lease for the Amoret post office has a 30-day cancellation clause. Postal Service Answering Brief at 15.

The Postal Service has satisfied the requirement that it consider economic savings as required by 39 U.S.C. § 404(d)(2)(A)(iv).

## VI. CONCLUSION

The Postal Service has adequately considered the requirements of 39 U.S.C. § 404(d). Accordingly, the Postal Service's determination to close the Amoret post office is affirmed.<sup>11</sup>

*It is ordered:*

The Postal Service's determination to close the Amoret, Missouri post office is affirmed.

By the Commission.

Shoshana M. Grove  
Secretary

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<sup>11</sup> See footnote 4, *supra*.

## DISSENTING OPINION OF CHAIRMAN GOLDWAY

The Administrative Record is inaccurate with regard to economic savings. As such, the Postal Service has not adequately considered economic savings as required by 39 U.S.C. § 404(d)(2)(A)(iv).

The Postal Service argues that savings should be calculated based on a full-time postmaster's salary. Yet the Amoret post office has been operated by an officer-in-charge (OIC) since the former postmaster retired on November 1, 2010. On the one hand, the Postal Service argues that the effect on employees of this closing will be minimal because only an OIC will be eliminated; yet on the other hand, it argues that the savings should be calculated using a full-time postmaster position.

The Postal Service already claims billions of dollars in savings from reducing labor costs. I believe the savings from substituting OICs in postmaster positions throughout the nation have already been included in those billions. There are inherent and blatant contradictions in the Administrative Record that must be corrected on remand.

It is not the statutory responsibility of the Commission to correct the Administrative Record for the Postal Service and certainly not to make its own surmise about what and/or whether there would be savings if accurate data were in the Administrative Record. Therefore, the decision to close should be remanded to the Postal Service to correct the Administrative Record and present a more considered evaluation of potential savings.

The Postal Service has designated the administrative receiving post office for Amoret postal customers as the Butler post office, approximately 15 driving miles distance from the Amoret post office. The designation of the administrative receiving post office can be significant to local postal customers because that will be the location where undeliverable or accountable items are retrieved, where some parcels must be

deposited, or certain other “in-person” business is conducted. The Administrative Record does not address with specificity reasonable customer concerns about the large travel distance to the new administrative retail post office. Without a more complete explanation of how removing the applicable retail facility to such a distant point will affect the community, the Postal Service has not satisfied its obligation to consider the effect of such closing or consolidation on the community served by the post office, as required by 39 U.S.C. § 404(d)(2)(A)(i).

I am also concerned about the distances between the Amoret post office and those that are offered as substitutes. Several members of Congress have publicly expressed concern that post offices that are 10 miles apart should be maintained in rural areas. The Postmaster General has expressed interest in finding other ways to serve such distant post offices rather than close them altogether. This closing should be reconsidered.

In addition, the Administrative Record describes steady or slightly increasing revenue over the last 3 years. Steady revenue during a time of system wide declines is prima facie evidence of strong community support and the potential for growth. This revenue profile suggests that the Postal Service did not adequately consider the impact on the community, and contradicts the Postal Service’s list of reasons to consider closing the post office which includes a statement that there is declining workload. Interest in the use of the mail in a community and the potential for growth should be considered as part of both the economic impact and the impact on the community. For this reason also, the Postal Service did not adequately consider the impact of the closure on the community as required by 39 U.S.C. § 404(d)(2)(A)(i).

The Commission has just issued its Advisory Opinion in Docket No. N2011-1, pointing to the fact that the Postal Service’s closing plans do not optimize the network. In the case of Amoret, the failure to undertake actual retail network optimization is exhibited by the Postal Service selecting for closure a post office with strong revenue.

This proposed closing should be reconsidered, and based on growing revenue, Amoret appears to be a candidate for inclusion in an optimal retail network.

The Administrative Record does not adequately evaluate whether Amoret post office box customers could be provided boxes bearing an Amoret address and ZIP Code at the Amsterdam post office, which is significantly closer to the community than the Butler post office.

Petitioners have commented that the loss of their post office would impair the community's ability to be eligible for civic grants. I believe that the consideration of economic savings must on occasion be interpreted more broadly than just the savings accrued by the Postal Service itself.

Moreover, the Postal Service recently announced a moratorium on post office closings. It is confusing and perhaps unfair to require some citizens whose post offices have received a discontinuance notice as of December 12, 2011 to gather evidence and pursue an appeal to the Commission, while others whose post offices were in the review process, but had not yet received a discontinuance notice by December 12, 2011, have the respite of a 5-month moratorium and the opportunity to have further consideration of alternatives by the Postal Service.

The citizens of Amoret, Missouri and their concerns regarding the loss of a neighborhood post office should be afforded the same opportunity to be heard and considered as the citizens of the approximately 3,700 post offices fully covered by the moratorium.

Ruth Y. Goldway

## DISSENTING OPINION OF VICE CHAIRMAN LANGLEY

The Postal Service did not adequately consider the economic savings as required by 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service should take into consideration that a non-career postmaster relief (PMR) has been in charge of this facility since November 2010, not an EAS-55 postmaster, and reflect the PMR's salary and benefits in its cost savings analysis.<sup>1</sup> As a government entity, the Postal Service should ensure that its cost/benefit analysis accurately identifies capturable cost savings and does not overstate savings.

I find that the Administrative Record evidence does not support the Postal Service's decision to discontinue operations at the Amoret post office and should be remanded.

Nanci E. Langley

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<sup>1</sup> Since the Postmaster vacancy, a non-career employee was installed to operate the Amoret post office. Administrative Record, Item 15, Item 18, Item 33 at 10, Item 41 at 11, Item 42, Final Determination at 7.