

A 2012-111

Vance A. Trively, Mayor

Megan M. Foster, Clerk

CITY OF RANDOLPH

P O BOX 88
RANDOLPH, IOWA 51649

RECEIVED

To: The Postal Regulatory Commission
Washington D.C. 20268-0001
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POSTAL REGULATORY
COMMISSION
OFFICE OF THE SECRETARY

This is a response to the comments from the U.S. Postal Service, regarding the City of Randolph, Iowa's, appeal to the closing of our Post office ZIP code 51649 your Docket #A2012-111.

As we have found with all of our dealings with the Postal Service, they down play the problems a closing will impact on our town and totally inflate on the plus and minus, dollar wise in their favor. I will go page by page to illustrate their contortion of the facts, and it will not take 21 pages of hogwash to do it.

Page 3 They do not make any mention of the business our local bank does through the Randolph Post office. They lead you to believe that there is only \$14,720 business yearly through our Post office. In reality, approx. \$44,000 moves through there. They also estimate only 13 minutes of retail work daily. Common sense tells anybody who is familiar with business that nobody can handle that much mail in 13 minutes daily, more like several hours daily.

They also compute the mileage from Randolph to Malvern as 9 miles and to Tabor as 7.5. I have lived here all of my life and have known every road in our county and the counties around us. It has always been 10 1/2 miles to Malvern and 8.5 to Tabor. Why they fudge on the mileage, I don't know unless there is something to do with the limit on transfer to another Post office or they are tweaking the rural carrier's miles.

Page 4&5 The Postal Service did the procedure as outlined in their requirements, but they then start to modify the facts. The works in their Statue of Ordinance (Maximum degree of service) start to get whittled down to (regular and effective service). This puts a hell of a change in the ball game as you will understand as we go along. They then say that of 47 questionnaires returned-2 were favorable-22 unfavorable, and 23 as expressing no opinion in the view of the Postal service. We are a small town and I know every man, woman, and child in town and for miles around. I delivered 270 signed petitions to the Postal Service against the closing, the night of the study meeting. For a small town like Randolph and the Townships around it, how can they say that half of the persons in their survey did not care how it went?

In some of their closing notices, they said that zero people attended the study meeting. In their responses to the appeal, they used the figure of 136 people in attendance. Ron Reilly himself counted 148. We actually had 162 signed in. This is just a small part of the twisted facts that the head office of the Post office received and put out to the home office. We also recorded and videoed the meeting so that there is no doubt about the figures or what was said!

Page 7 Notice the phrase Cost-effective manner the Postal Service has no idea of what those words mean or what the deterioration of service they are into, and as we get further into this you will see the (expected financial savings) evaporate.

Page 8 Here is the first time that we are told that service would be provided totally by rural carriers. We were told at the study meeting and following meetings with Ron Reilly

and Todd Case that is would involve cluster boxes. If in doubt, remember our video and taping of the study meeting.

Page 9 Here is where they try to down play the term (Maximum degree of service) to make you and others think they are within their rules (which they are making up as they go along).

Page 10 If you need to catch a rural delivery driver, you have to leave a note in the mail box for him and he will honk his horn (this is what was told to the crowd at another study meeting I attended). You would have to hurry to meet him to attend to your needs, or you could leave money in the box and he would make change, etc. (Thieves would love this one). Think of this sequence in bad weather. If you were expecting a package in the mail, you would have to be at home at whatever time on whatever day it came to receive it or drive 21 miles round trip to Malvern. They refer to the possibility of customers having P.O. boxes in other towns other than Malvern or Tabor. How about Seattle or Portland? I get there a few times a year. They don't care about any inconvenience to the customers.

Page 11 One of the items that are almost laughable, except for how serious it is, is this talk about disabled customers. The talk of service for disabled persons came up in several meetings. The person in charge of the meeting talked about service to the door for disabled persons. BUT if there is one able bodied person registered at that address (regardless of whether that person works away from home during the day) the service to the door is deemed unnecessary. Attempted deliveries of large parcels will almost always require a round trip to the next town.

Page 12 The words in the Postal service manual (Maximum degree of Service) are now history.

Page 13 Notice the lack of the words. (Maximum degree of Service).

Page 14 Our ZIP code will change. This is the first time that we are told that we would lose our ZIP code. Another lie that Ron Reilly and Todd Case told us at our study meeting was that we were to keep our ZIP code even if we lost the Post office.

Page 15&16 Watch how they wiggle the savings estimate. They don't use the figures of the last 2 years at all. They sub in full Postmaster's Salary and fringe benefits, which are not now being paid. We have been without a Postmaster since October 1st, 2009. They are saying that the position would have been filled if Randolph had not been identified as a candidate for closing. This goes right with what my friend, who works high up in the Postal Service said. We were just part of the 1st quota, a small town whose Postmaster retired. They did not bother to check our Profit and Loss ratio.

They are saying that the lease cost (which runs until August of 2018) should not be counted as cost in the loss figuring. **What are they going to do? Kick it under the rug?** Over \$70,000 is a little more than chicken feed. The chances of that building that was set up as a Post office being utilized for something else in our town, for that amount of money is next to zero.

The last paragraph on page 16 makes no sense. We are talking about the operation of the Randolph Post office and the fact that it does not contribute to the annual debt problem of the Postal service.

Page 17 The Postal service tries to defend the costs of the rural route carrier, but does not look at the obvious. Fuel costs-since the 1st of this year, fuel has gone up .60 cents per gallon and is expected to raise another \$1.00 per gallon. By your own figures, every 1 cent rise in fuel, costs the Postal Services \$1,000,000.00 per day. With the total expected rise of \$1.60 per gallon, the total additional cost per year would be 58,400,000,000!!! That's right-over a 58 billion dollars increase. The cost of rural delivery would shoot up likewise, while our Post office costs would stay stagnant.

The later part of page 17 says that the loss of revenue as a result of the closing of our Post office would be just speculation. You NEVER take a business out of one town and expect it to follow 100% to the next town! The bank will use a courier for their money transfers, and encourage customers to use electronic means as much as possible. Older people will slow the use of mail for sending letters and cards and will pick up the phone to call friends and relatives and those people will do likewise in return. The Postal service says that they don't speculate on this type of loss, but they are speculating on all of the savings. I would bet more on the loss of business than on the savings they are trying to claim.

Page 18 They are trying to wipe out the phrase of a (Maximum degree of Service) but I ask you to stop and think real hard about what I am going to outline. I have asked everyone, I have talked to in the Postal service about where they lived and how they were served. **EVERY ONE** of them was on door to door service with boxes by their front door of their house or had cluster boxes in the entryway of their apartment building. That is the Postal service's deluxe service. At a cost (by Postal Service records) at \$368 per year per customer. If that service was cut back to curbside service, the Postal service would save \$100 per year per customer. If that service was cut back to post office boxes, the Postal service would save \$200 per year per customer. This last level would save the Postal service approximately 20 billion dollars a year. DO THE MATH!! This last level is what all little towns are trying to keep. Instead of just reaching out your front door or opening a box in the entryway of the apartment building for your mail, you would have to get out in the weather and drive to the Post office.

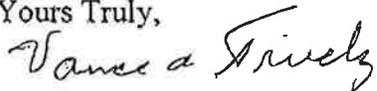
Now you see how lopsided the Postal service has become, and maybe you will realize how this makes us feel when millions of Americans are treated to deluxe delivery and we are treated to Pony Express with a lame horse.

Page 19 In the paragraph titled other issues, they hint to the fact that the person that brought to me the information about the so-called "predetermined path", quotas, small Post offices, no Post master, etc. and a lot of other information, was a local field personnel, (wrong) fishing for the name or position he holds is not going to work.

In conclusion, the Postal Service is going to use the time up to May 15th, 2012 to complete all the study, proposals to close, notices to close and will be ready May 15th to turn the padlock key. One year from now we will all find out that there was such a large number of false information given to the Washington D.C. Postal service by their people, that there will actually be no savings. They will have only made millions of people mad. I have enclosed a letter that I sent to Pat Donahoe, back in the first part of Dec. 2011. Compare it with the latest word from the D.C. office about restructuring of the debt and what they will cut. See how it compares. Maybe a little of that higher I.Q. woke up?

If you are not a part of the Postal Service, then there would be no reason to withhold your decision from us. To withhold the decision until a time better fit for the Postal Service would tell a thousand tales. I therefore believe that ten days after the receipt of this letter would be ample time for your informing us of your decision.

Yours Truly,



Vance A. Trively
Mayor for the City of Randolph, IA 51649

P.S. Compare these 3 pages with the 21 pages of the Postal Services. The truth is always shorter than fiction!!

CITY OF RANDOLPH

P O BOX 88
RANDOLPH, IOWA 51649

CC: Gov. Bransted, Senator Harkin, Senator Grassley, Rep. King, Kyle Munson, Andrew Nelson, Dean Granholm, Marianne Price, Jennifer Rep. from Wall Street Journal, John Vermass

To: Pat Donahoe

Pat, I assume that you and the other persons in the top posts of the U.S. Postal Service have a higher IQ than us ordinary people. I would like for all of you to use a little of that "High IQ" and look at the mess that our postal service is in, how it got there, and how to fix it.

I represent a small town in Iowa, as their Mayor and we have been involved with this Postal closing since day one. The more I see of the small towns going through this Farce of a study, notice of possible closing, notice of closing and appeal, and then the actual closing, the more disgusted I get. I have been through our experience of this Farce up to final closing notice and appeal process. I have attended meetings at other towns that are having the same treatment. We had 270 names on petitions against the closing and 162 signed in attendance at our study meeting- this was a standing room crowd only at our study meeting. I have attended meeting at Ft. Dodge, IA, and Des Moines, IA where we met with our Governor, Representatives of Congress, their aides, as well as Dean Granholm and his people from your office, and many news persons.

When we ask direct questions of the Postal Reps. We either don't get any straight answers or are lied to. I have

attended several study meetings at other towns and the answers to various questions could change to suit the Postal person in charge of that meeting that night.

I have also talked to Anne Kennedy in the Postal Regulatory office, in Washington D.C. about the process. She could not answer me, when I asked how many small Post offices survived in the appeal process. She did not know, but thought there were a few. I said that I could refresh her memory- from 2001 to Jan. 1st 2011, there were 799 small post offices put up for closing-26 appealed, 7 were heard by their committee-2 were found to have merit- 100% closed.

Then, at the Des Moines meeting, I told Dean Granholm, what I knew about the appeal process up until Jan. 1st of 2011 and asked him if he knew of any Post offices that had survived the appeal process after Jan. 1st, 2011. He gave me the same answer that Anne Kennedy did, that he thought that there were some. I asked him if he could name one. **He could not!**

I have seen first-hand the fuzzy math that your people are supplying to justify the thought that these closings will save money. The sorry part of this, is that the closing of this enormous number of small town post offices, will not amount to a pimple on a gnat's ass, as for as the Postal service's financial problems.

There are several real ways to solve your financial problems without killing small towns. I refer to those problems as to the commercial of the 800 lb. gorilla in **YOUR** room.

PROBLEMS

1. You have the Postal service tied to a factor of having to use the cost of living yearly rate as your rate of increase of Postal rates.

Having the largest flute of vehicles in the world, coupled with the enormous rise in fuel prices the last few years

has become one hell of a burden. This makes it out of balance with the cost of living rate increase.

2. You have been sucked into the enormous prepayment of medical costs.
3. A third problem is the costs of delivering the mail. According to **YOUR** figures, door to door as in the most cities costs \$367 per customer per year, curbside service is approx. \$100 less per customer per year, post office boxes, like we now have and want to keep are approx. \$200 per customer per year cheaper than door to door.

SUMMARY

Your people always stress that you are in a sense, a separate complete entity from the Federal Government and cannot ask for tax dollars to bail you out. If you are a separate entity, go into Bankruptcy and restructure your problems.

This would let you raise rates to offset part of it. A 10% raise would amount to 6.5 billion dollars. You would also be able to drastically cut the prepayment on the medical-say ½ of the present rate/year= almost another 3 billion. Last, **but not least**, put every town (large as well as small) on Post office boxes like we presently are. It would drastically cut employees, vehicles, etc., and save many billions of dollars! **Is that higher IQ starting to kick in yet?!**

I know, from personal experience, that this can be done. Back in the 70's, our family was involved in the trucking of swinging meat, from the Midwest to New York, as well as the Boston and Philadelphia areas. We handled approximately 100 loads per week. That first large jump in the fuel prices took place then. The cost of a gallon of diesel fuel rose from 22 cents to 80 cents per gallon. We had to apply for rate increases through the ICC and also for the rights to haul from one point to another. We never received

anything close to what we needed to cover cost increases. I heard on T.V. about the Kennedy committee working to deregulate the airlines, so I called them about doing the same to the ICC. I testified in Washington, D.C.- **It was done! You could do the same and it would solve your total problems!**

As to our small town, I asked Todd Case to bring the financial figures to the study meeting, he conveniently forgot them. I made calls every day the next week and was given a different excuse each time and even had my calls blocked. I started using other phones of family and friends and got him every time that way when he could not recognize the phone number. Finally, on the following Friday, he informed me that I would have to go through the Freedom of Information Act to get the material. I have enclosed what followed in the additional material enclosed.

If you will look at the total information I have enclosed, you will realize the anger toward the postal service that is being generated in the small towns across the nation.

We have one of the largest private owned banks in Iowa in our town. It depends on the Postal service to the tune of approximately \$30,000 of mail per year alone. The proposal to close notice listed 1 meter customer with no name or amount of business. This was our bank. **Fuzzy math again!** Our post office is one of the few that is holding its own as far as Profit and Loss goes, yet it was one of the first on the list for closing. A friend who has worked for the Postal administration for years told me-Vance your town was just a part of the quota that they were given to fill and the fact that you were a small town whose postmaster had retired was all they looked at. He also said that the day Randolph was put on the list they in a sense ordered the cluster boxes for you because no town ever survived the notice to close! In later meetings they have stopped talking "cluster boxes" and now say that everyone has to buy their own.

When I talked to Anne Kennedy about the appeal, which I had sent on behalf of our town, she said that it was premature as we were not in the actual closing notice period yet. I told her that we wanted to speed this Farce up so we could say that we had exhausted all the so-called procedures and could file suit in federal court. Other towns I have talked to, have asked about joining in a class-action lawsuit which would drop the cost considerably to each town if all of them joined with us.

If you think that we are bluffing-check, and you will see that our attorney has already contacted one of your attorneys, (Ms. Julie Helarud in Denver) to see what attorney you will use in our area. If when we go to Federal court and we win, how many of these closed post offices will you have to reopen and how many of the closings in progress will you have to stop? I have obtained material from other towns that their post offices were completely closed fraudulently.

As to the fuzzy math, your people do not list the financial problems that the Postal service will suffer in the closing of most of these small post offices.

1. Our bank will resort to other means to retain their service to their customers in the same time frame as they have it now. This could result in a 50% drop in their postal needs.
2. The people in our town will think twice about driving a 20 mile round trip for postal needs and will rely on telephone and email to friends and relatives and those will response likewise.
3. The owner of our post office bld. has a non-cancelable lease that runs through Aug. of 2018, at \$10,000+ per year.
4. Your people list items of financial figures as savings, if our post office is closed, that is totally wrong.
 - A.) Savings of lease cost-not for 7 yrs. Or a \$60,000+ buyout.
 - B.) Postmaster salary plus fringe benefits of \$44,000 is WRONG. We don't have a

Postmaster and the persons in charge (2
alternate so the 40 hrs. a wk. rule is
Bypassed) receives 14.75 per hr. and no
fringe benefits, & we are getting along just
Fine with this arrangement.

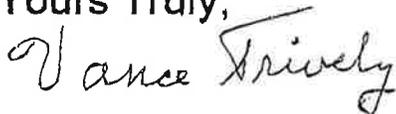
According to your rules, the Postal service is required
to give a maximum degree of efficient service to all of its
customers. This is changing our town from box holders to
horse and buggy (the Pony Express rides again) and leaving
city people on door to door is very unfair in anybody's mind,
let alone a judge in federal court.

I asked if they had done any study on the effect the
closings would have on the towns like ours. Their answer
was that they don't enter into speculation. It seems that this
is exactly what your closing of up to 10,000 Post offices is. It
sure does not get down to the facts.

When I go to other's town's study meetings, I let your
rep. build his case and after he is done, I ask to speak.
Several times the crowd had stood and applauded when I
was done. They know that they have heard the facts from
someone they can TRUST.

I hope after receiving this letter, you will sit down with
your people and do what is right for everyone and get the
Postal Service on firm footing again. What you are doing
now is not going to help in the least and will hurt the Postal
Service enormously in the future.

Yours Truly,



Vance Trively

Mayor of Randolph, IA 51649

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