

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

Daisy Post Office
Daisy, Georgia

Docket No. A2012-104

ORDER AFFIRMING DETERMINATION

(Issued April 6, 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.”¹ 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,

¹ 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 December 27, 2011, Mayor Inman Brown, Jr. (Petitioner I. Brown) filed a petition with the Commission seeking review of the Postal Service’s Final Determination to close the Daisy, Georgia post office (Daisy post office).² Ten (10) additional petitions for review were filed on December 27, 2011.³ The Final Determination to close the Daisy post office is affirmed.⁴

II. PROCEDURAL HISTORY

On January 5, 2012, the Commission established Docket No. A2012-104 to consider the appeal, designated a Public Representative, and directed the Postal Service to file its Administrative Record and any responsive pleadings.⁵

² Petition for Review received from Mayor Inman Brown, Jr. regarding the Daisy, Georgia post office 30423, December 1, 2011 (I. Brown Petition).

³ Petition for Review received from Larry Morgan regarding the Daisy, Georgia post office 30423, December 27, 2011 (Morgan Petition); Petition for Review received from Bill and Pricilla Hearn regarding the Daisy, Georgia post office 30423, December 27, 2011 (Hearn Petition); Petition for Review received from Cletus B. Strickland regarding the Daisy, Georgia post office 30423, December 27, 2011 (C. Strickland Petition); Petition for Review received from Carolyn S. Brown regarding the Daisy, Georgia post office 30423, December 27, 2011 (C. Brown Petition); Petition for Review received from Carroll Skinner regarding the Daisy, Georgia post office 30423, December 27, 2011 (Skinner Petition); Petition for Review received from Sarah Rountree regarding the Daisy, Georgia post office 30423, December 27, 2011 (Rountree Petition); Petition for Review received from Patricia Ann Strickland regarding the Daisy, Georgia post office 30423, December 27, 2011 (P. Strickland Petition); Petition for Review received from Manuel A. and Blanca Balcarcel regarding the Daisy, Georgia post office 30423, December 27, 2011 (Balcarcel Petition); Petition for Review received from Carson Sands, Jr. regarding the Daisy, Georgia post office 30423, December 27, 2011 (Sands Petition); Petition for Review received from Joann Griffis regarding the Daisy, Georgia post office 30423, December 27, 2011 (Griffis Petition). Collectively, the authors of these petitions are referred to as “Petitioners.”

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

⁵ Order No. 1105, Notice and Order Accepting Appeal and Establishing Procedural Schedule, January 5, 2012.

On January 11, 2012, the Postal Service filed the Administrative Record with the Commission.⁶ On January 13, 2012, the Postal Service filed a Corrected Administrative Record.⁷ On February 23, 2012, the Postal Service supplemented the Administrative Record.⁸

Petitioners Skinner, Hearn, Balcarcel, P. Strickland, C. Strickland, C. Brown, I. Brown, Sands, and Rountree filed participant statements supporting their Petitions.⁹ The Postal Service also filed comments requesting that the Commission affirm its Final Determination.¹⁰ On February 9, 2012, the Public Representative filed a reply brief.¹¹

III. BACKGROUND

The Daisy post office provides retail postal services and service to 179 post office box or general delivery customers. Final Determination at 2. No delivery customers are served through this office. The Daisy post office, an EAS-11 level facility, provides retail service from 8:00 a.m. to 11:45 a.m. and 12:45 p.m. to 4:30 p.m.,

⁶ The Administrative Record is attached to the United States Postal Service Notice of Filing, January 11, 2012 (Administrative Record). The Administrative Record includes, as Item No. 47, the Final Determination to Close the Daisy, Georgia Post Office and Continue to Provide Service by Rural Route Service (Final Determination).

⁷ United States Postal Service Notice of Filing Corrected Administrative Record—Errata, January 13, 2012 (Corrected Administrative Record).

⁸ United States Postal Service Notice of Supplement Filing to the Administrative Record, February 23, 2012 (Supplement).

⁹ Participant Statement received from Carroll Lee Skinner, January 24, 2012 (Skinner Participant Statement); Participant Statement received from Bill and Priscilla Hearn, January 31, 2012 (Hearn Participant Statement); Participant Statement received from Larry Morgan, January 31, 2012 (Morgan Participant Statement); Participant Statement received from Manuel A. and Blanca Rosa Balcarcel, January 31, 2012 (Balcarcel Participant Statement); Participant Statement received from Patricia Ann and Cletus B. Strickland, January 31, 2012 (Strickland Participant Statement); Participant Statement received from Carolyn S. Brown, January 31, 2012 (C. Brown Participant Statement); Participant Statement received from Inman Brown, Jr., Mayor, City of Daisy, Georgia, January 31, 2012 (I. Brown Participant Statement); Participant Statement received from Carson Sands, Jr., February 6, 2012 (Sands Participant Statement); Participant Statement received from Sarah Rountree, February 6, 2012 (Rountree Participant Statement).

¹⁰ United States Postal Service Comments Regarding Appeal, February 21, 2012 (Postal Service Comments).

¹¹ Reply Brief of the Public Representative, March 5, 2012 (PR Reply Brief).

Monday through Friday, and 8:30 a.m. to 12:00 p.m. on Saturday. Lobby access hours are 24 hours Monday through Saturday. *Id.*

The postmaster position became vacant on July 1, 2009 when the Daisy postmaster retired. A non-career officer-in-charge (OIC) was installed to operate the office. *Id.* at 2, 7. Retail transactions average 25 transactions daily (26 minutes of retail workload). *Id.* at 2. Post office receipts for the last 3 years were \$35,384 in FY 2008; \$35,248 in FY 2009; and \$36,470 in FY 2010. There is one permit or postage meter customer. *Id.* By closing this post office, the Postal Service anticipates savings of \$47,379 annually. *Id.* at 5.

After the closure, retail services will be provided by the Claxton post office located approximately 7 miles away.¹² Delivery service will be provided by rural route service through the Claxton post office. *Id.* The Claxton post office is an EAS-18 level office, with retail hours of 8:00 a.m. to 4:30 p.m., Monday through Friday, and 8:30 a.m. to 12:00 p.m. on Saturday. *Id.* Lobby access hours are 24 hours Monday through Saturday. Administrative Record, Item No. 18. There are 72 post office boxes available. Final Determination at 2. The Postal Service will continue to use the Daisy name and ZIP Code. *Id.* at 4, Concern No. 12.

IV. PARTICIPANT PLEADINGS

Petitioners. Petitioners oppose the closure of the Daisy post office. Petitioners Hearn, C. Strickland, Skinner, Rountree, P. Strickland, Balcarcel, and Sands contend that the Postal Service failed to consider the effect of the closing on the community. Petitioners contend 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. Petitioners Griffis and Skinner raise concern about traveling to another post office for Post Office Box Service and incurring additional expenses in gas and box fees.

¹² *Id.* at 2. MapQuest estimates the driving distance between the Daisy and Claxton post offices to be approximately 4.5 miles (7 minutes driving time).

Petitioners I. Brown and Hearn argue the Postal Service failed to adequately consider the economic savings resulting from the closure.

Postal Service. The Postal Service argues that the Commission should affirm its determination to close the Daisy post office. Postal Service Comments at 2. The Postal Service believes the appeal raises three main issues: (1) the effect on postal services; (2) the impact upon the Daisy community; and (3) the calculation of economic savings expected to result from discontinuing the Daisy post office. *Id.* The Postal Service asserts that it has given these and other statutory issues serious consideration and concludes that the determination to discontinue the Daisy post office should be affirmed. *Id.*

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

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

Id. at 4-5. The Postal Service contends that it will continue to provide regular and effective postal services to the Daisy community when the Final Determination is implemented. *Id.* at 5.

The Postal Service also asserts that it has followed all statutorily required procedures and has addressed the concerns raised by Petitioner regarding the effect on postal services, the effect on the Daisy community, economic savings, and the effect on postal employees. *Id.* at 5-11.

Reply briefs. The Public Representative concluded that the Postal Service followed applicable procedures. PR Reply Brief at 5. However, he contends the Postal Service's decision to close the Daisy post office was unsupported by substantial evidence. *Id.* In addition, the Public Representative believes the Postal Service did not properly consider the economic savings, the Daisy area growth, or Daisy's postal needs and the closings' effect on the community. *Id.* at 10.

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. *Id.* § 404(d)(5).

The record indicates the Postal Service took the following steps in providing notice of its intent to close. On April 14, 2011, the Postal Service distributed 200 questionnaires to delivery customers regarding the possible change in service at the Daisy post office. Final Determination at 2. Other questionnaires were made available at the retail counter. A total of 60 questionnaires were returned. On April 19, 2011, a congressional inquiry was received by the Postal Service. On April 26, 2011, the Postal Service held a community meeting at the Daisy Town Hall to address customer concerns. There were 104 customers at that meeting. *Id.*

The Postal Service posted the proposal to close the Daisy post office with an invitation for comments at the Daisy and Claxton post offices from June 4, 2011 through August 5, 2011. *Id.* The Final Determination was posted at the same two post offices from December 8, 2011 through January 9, 2012 at the Daisy post office and from December 7, 2011 through January 8, 2012 at the Claxton post office. Administrative Record, Item No. 47 at 1, 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. Daisy, Georgia is an unincorporated community located in Evans County, Georgia. Administrative Record, Item No. 16. The community is administered politically by a mayor and council. Police protection is provided by the Evans County Sheriff. Fire protection is provided by Claxton/Daisy Fire Department. The majority of residents in Daisy were born and raised there; some have moved away

for school or job purposes and then moved back after retiring. *Id.* Residents may travel to nearby communities for other supplies and services. See *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 Daisy community and solicited input from the community with questionnaires. In response to the Postal Service's proposal to close the Daisy 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 5-7.

Petitioners Strickland, Hearn, and Sands are concerned that the community will lose its identity if the Daisy post office is closed. The Postal Service explains that a community's identity derives from the interest and vitality of its residents and their use of its name. The Postal Service is helping to preserve community identity by continuing the use of the Daisy name in addresses. Postal Service Comments at 7-8.

In response to the concern over community identity and meeting together, the Postal Service notes that residents may continue to meet informally, socialize, and share information at the Daisy Community Center, businesses, churches, and residences in town. *Id.* at 7-8. The Postal Service determined that communities generally require regular and effective postal services and these services will continue to be provided to the Daisy community. *Id.* at 8. In addition, the Postal Service has concluded that non-postal services provided by the Daisy post office can be provided by the Claxton post office. *Id.* at 9.

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 Daisy postmaster retired on July 1, 2009 and that an OIC has operated the Daisy post office since then. Final Determination at 2. It asserts that after the Final Determination is implemented, the

temporary OIC may be reassigned and no other Postal Service employee will be adversely affected. Postal Service Comments at 10.

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 Daisy 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 Daisy customers. Postal Service Comments at 5-7. It asserts that customers of the closed Daisy post office may obtain retail services at the Claxton post office located 7 miles away. Final Determination at 2. Delivery service will be provided by rural route service through the Claxton post office. *Id.* The Daisy post office box customers may obtain Post Office Box Service at the Claxton post office, which has 72 boxes available. *Id.*

For customers choosing not to travel to the Claxton post office, the Postal Service explains that retail services will be available from the carrier. Postal Service Comments at 6. 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 raise particular concerns about traveling to another post office to obtain Post Office Box Service, the hardship placed on senior citizens, and the impact on mail security. Petitioners Griffis and Skinner express concern about traveling to another post office for Post Office Box Service and incurring additional expenses in gas and box fees.

The Postal Service addressed these concerns and explained that the loss of retail services and post office boxes at Daisy does not have a large impact on the quality of service provided by the Postal Service. Postal Service Comments at 6. The Postal Service explains that its rural carriers can perform many functions (at the same time that the carrier delivers the mail) that will avert the need to go to any post office, Claxton or otherwise. *Id.* In reply to Petitioners' contentions that it is inconvenient to travel to the Claxton post office, the Postal Service explains that carrier service is especially beneficial to many senior citizens and those who face special challenges. *Id.*

at 6. This is because the carrier can provide delivery and retail services to customers' delivery receptacles making it possible for seniors and others not to have to make a special trip to the post office. *Id.* The Postal Service makes provisions, on request, for hardship cases or special customer needs so service can be provided. *Id.* at 6.

The Postal Service explains that Petitioners' concerns about mail security can be addressed by customers placing a lock on their mailboxes as long as there is a slot large enough to accommodate their normal daily mail volume. *Id.* at 6. There have been no reports of mail theft or vandalism in the area, thereby indicating that mail security concerns are not prevalent in the area. *Id.* 6-7.

Petitioner I. Brown suggests that the Claxton post office does not have enough post office boxes to accommodate all of the post office box customers at the Daisy post office. I. Brown Petition at 1. Similarly, the Public Representative notes that the Daisy post office serves 179 post office box customers, but that only 72 post office boxes are available at the Claxton post office. PR Reply Brief at 6. He, too, suggests that the limited number of post office boxes at the Claxton post office may be unable to meet demand when the Daisy post office closes. *Id.* at 6-7.

As the Postal Service explains, upon implementation of the final determination, customers have the option of continuing box service at the Claxton post office, or switching to carrier service. Postal Service Comments at 5 and 6. In its comments, the Postal Service cites information in Administrative Record, Item No. 18 indicating that 50 of the 179 post office box customers at the Daisy post office are duplicate customers. In addition, it anticipates that some of the 179 post office box customers will opt for carrier service. Postal Service Comments at 3 n.10. Recognition that 50 of the 179 post office box customers are duplicates produces a net need for 129 mail boxes on the rural carrier route proposed as replacement service. The Postal Service proposes to serve those 129 mail boxes by means of that rural carrier route. See Administrative Record, Item No. 17 at 2. As the Commission has noted previously, the Postal Service

should ensure that an adequate number of post office boxes will be available at nearby post offices to meet demand.¹³

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 \$37,373. Final Determination at 5. It derives this figure by summing the following costs: postmaster salary and benefits (\$44,279) and annual lease costs (\$3,100), minus the cost of replacement service (\$9,986).¹⁴ *Id.* The Postal Service explains that economic factors are one of several factors that the Postal Service considered, and economic savings have been calculated as required for discontinuance studies. Postal Service Comments at 10, Postal Comments at 9 n.23.

Petitioner I. Brown suggests that the numbers used for the salary and benefits of the Daisy postmaster obscure the fact that operation by means of an OIC has resulted in annual profits at the Daisy post office. C. Brown Petition at 2. Similarly, the Public Representative contends that the Postal Service should have used the OIC's salary in determining the savings reaped by closing. PR Reply Brief at 7.

The Daisy post office postmaster retired on July 1, 2009. Final Determination at 2. The post office has since been staffed by a non-career OIC who, upon discontinuance of the post office, may be transferred or separated from the Postal Service. The postmaster position and the corresponding salary will be eliminated. See, e.g., Docket No. A2011-67, United States Postal Service Comments Regarding Appeal, October 24, 2011, at 13; and Docket No. A2011-68, United States Postal Service

¹³ See, e.g., Docket No. A2012-73, Order No. 1269, Order Affirming Determination, March 2, 2012, at 10; Docket No. A2012-51, Order No. 1226, Order Affirming Determination, February 14, 2012, at 9; Docket No. A2012-2, Order No. 1167, Order Affirming Determination, January 24, 2012, at 9-10; Docket No. A2011-98, Order No. 1137, Order Affirming Determination, January 17, 2012, at 10.

¹⁴ In its comments, the Postal Service notes that the Final Determination did not account for the estimated cost of replacement service. Postal Service Comments at 9 n.23. The estimated annual cost of \$9,986 is, however, contained in the Administrative Record. Administrative Record, Item No. 17. When subtracted from the Final Determination's estimated economic savings of \$47,379, the Postal Service's estimated annual savings is \$37,393. Postal Service Comments at 9.

Comments Regarding Appeal, November 2, 2011, at 10. Furthermore, notwithstanding that the Daisy post office has been staffed by an OIC for approximately three years, even if a lower OIC salary was used in the Postal Service's calculation, the Postal Service would have satisfied the requirements of section 404(d)(2)(A)(iv).

The Public Representative also contends that the amount of the lease, \$3,100, should be subtracted from the savings amount until April, 2016, because the lease for the post office building does not have a 30-day termination clause and will not expire until March 31, 2016. PR Reply Brief at 8. Since the lease for the Daisy post office will not expire until April, 2016, the calculation of economic savings should exclude \$3,100 of annual lease cost savings.

In addition, the Public Representative argues that the Postal Service has relied upon declining revenues in the Final Determination to support its decision, but that revenues rebounded in 2010 after a 1-year dip in 2009. PR Reply Brief at 9. In fact, the Postal Service's Final Determination did not characterize the Daisy post office revenues as "declining", but merely set forth actual revenues in 2008, 2009, and 2010. Final Determination at 2. Instead, the Postal Service has sought to defend its decision by characterizing revenues at the Daisy post office as "low", a characterization which is at least arguable. Postal Service Comments at 4.

The Public Representative questions whether the Postal Service has used the correct hourly rate for rural carriers in calculating the cost of rural carrier replacement service. PR Reply Brief at 8-9. However, even assuming that the higher hourly rate suggested by the Public Representative is correct, this would only raise the cost of replacement service by approximately \$3,690 and reduce the projected economic savings by that amount.

Finally, Petitioners I. Brown and C. Brown both suggest alternatives to closure of the Daisy post office. Petitioner I. Brown raises the possibility that a reduction in rent for the Daisy post office facility could be negotiable. I. Brown Petition at 2. Both Petitioner I. Brown and C. Brown suggest the possibility of substituting a contract post office or village post office for the Daisy post office. *Id.*; C. Brown Petition at 1. In that regard, it

appears that Petitioner I. Brown has contacted Postal Service officials in Jacksonville, Florida, and is awaiting a response. I. Brown Petition at 2.

The Postal Service notes that it has broad experience with similar options, but the focus of this administrative action concerns whether service can be provided effectively and efficiently to the Daisy community. It concluded that its carrier service, coupled with service at the Claxton post office, is more cost-effective than maintaining the Daisy postal facility and career position. Postal Service Comments at 9.

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 Daisy post office is affirmed.¹⁵

It is ordered:

The Postal Service's determination to close the Daisy, Georgia post office is affirmed.

By the Commission.

Shoshana M. Grove
Secretary

¹⁵ 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 Daisy post office has been operated by a non-career officer-in-charge (OIC) since the former postmaster retired on July 1, 2009. 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.¹

The Postal Service's lease on the Daisy post office building terminates in March 31, 2016, and lacks a cancellation or early termination clause. The Postal Service calculations do not take this annual cost into consideration. The Mayor of Daisy states in his correspondence with the Postal Service (included as part of the Administrative Record) that the City owns the building and has offered to renegotiate

¹ The Postal Service's Final Determination allocated a zero (0) cost for replacement service in its economic savings calculations. While the Postal Service provided supplemental information to attempt to explain this inconsistency in its docket Comments, the Commission is obliged to rely on the Administrative Record in a Section 404 review of this type. As a government agency, the Postal Service should offer well-supported, accurate economic calculations.

the lease if the post office is kept open. The Administrative Record provides no evidence that the Postal Service evaluated or responded to this offer.

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.

Further, the Commission has often expressed a concern—and I have consistently expressed the concern—that the maintenance of adequate service requires providing an adequate number of post boxes in the receiving facility. The Daisy post office serves 179 post office box and general delivery customers, while the receiving facility in Claxton has only 72 post office boxes available.² Thus, the record does not show that the Postal Service has sufficiently considered the issues raised by customers concerning the provision of effective and regular service as required by 39 U.S.C. § 404(d)(2)(A)(iii).

In addition, the Administrative Record describes steady revenue over the last 3 years, indicating potential for growth from area businesses. This increase in revenue affirms the Petitioner's argument that the Postal Service did not adequately consider the impact on the community, and contradicts the Postal Service's list of reasons to

² The Administrative Record states (and the Postal Service's Comments reiterate)—without providing any detail—that 50 of the Daisy customers have duplicate service. It is unclear from the record whether that means that customers get residential delivery and have a post office box, or whether they have more than one post office box, or a combination of the two. But if customers receive duplicate service, such as a post office box for business purposes and one for personal purposes, it suggests that they require such services for sound professional or other reasons and that a change away from that service would be a service reduction.

consider closing the post office. 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. Therefore, 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).

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 Daisy, Georgia 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 current lease does not terminate until March 31, 2016, and does not have a 30-day termination clause. Administrative Record, Item 18. The Postal Service should note that any savings from the lease will not be realized for just under 4 years. In addition, the Postal Service should take into consideration that a non-career postmaster relief (PMR) has been in charge of this facility for nearly 3 years, since July 2009, not an EAS-11 postmaster, and reflect the PMR's salary and benefits in its cost savings analysis.

Moreover, the Public Representative concludes that the Commission should remand the Final Determination to close the Daisy post office for several reasons, one of which was the limited availability of post office boxes at the proposed administrative post office. Public Representative Reply Brief at 10-11. The Postal Service indicates that there are 50 post office box holders who are receiving duplicate service. Postal Service Comments at 3 n.10. I believe that the Postal Service should have reasonable plans to provide a sufficient number of post office boxes at the proposed administrative post office to meet the demand from customers at the proposed discontinued post office. Even with 50 post office box holders receiving duplicate service, there would still be a potential shortage of 57 post office boxes.

Furthermore, it appears the Proposal and Final Determination does not take into consideration the cost for providing the replacement service given that there are currently 179 post office box holders who may convert to rural route delivery. The Postal Service concedes that the Final Determination does not account for the estimated cost of the replacement service, but notes that the replacement cost is \$9,986.00. Postal Service Comments at 9 n.23. Although the replacement cost is

contained in the Administrative Record,¹ it is important for the Proposal and Final Determination to provide accurate information. The Postal Service should adjust the economic savings to reflect the cost of replacement service.

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 Daisy post office and should be remanded.

Nanci E. Langley

¹ See Administrative Record, Item No. 17.