



OFFICE OF MAYOR SAM ADAMS
CITY OF PORTLAND

September 21, 2011

The Honorable Patrick R. Donahoe
Postmaster General
U.S. Postal Service
475 L'Enfant Plaza, SW, Room 10804
Washington, DC 20260-3500

Dear Postmaster General Donahoe:

We write you today on behalf of our constituents in Portland, Oregon, who include both customers and employees of the United States Postal Service. We would like to raise awareness of our concerns regarding a USPS employment and pension practice and a proposed regulation change.

Employment and Pension Practices:

Currently, the Portland area is in the midst of a three-year hiring freeze for career letter carriers. To fill gaps, the USPS has taken to the practice of hiring temporary "transitional employees" for up to 51 weeks per year. As a result, the "transitional employees" are unable to qualify as career letter carriers despite no recognizable difference between the two. This pattern of hiring provides neither a skilled and loyal workforce nor consistency for the customer. Additionally, up to 25 percent of delivery routes go without a regular letter carrier due to this policy.

We understand that the financial crisis that the USPS is facing is due, in part, to an accounting issue that arises under the Postal Accountability and Enhancement Act. The PAEA requires that the Postal Service move from funding its retirees' health care costs out-of-pocket annually to prefunding these obligations. According to the Office of Personnel Management, this change produced an unfunded obligation of \$48.6 billion at the end of FY2010. Congress acted to save the USPS by deferring \$4 billion from the USPS's FY 2009 payment, but the future economic health of the USPS cannot be ensured without the commitment of Congress and the President to permanently fix this problem.

Proposed Regulation Changes:

Based on our review of the proposed changes to Title 39 of the Code of Federal Regulations, we are concerned that these policy changes do not reflect the values of Portlanders or the constituency that USPS serves. We are hopeful that there will be a

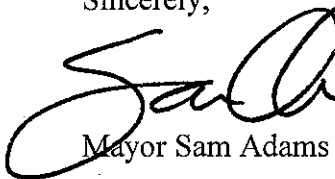

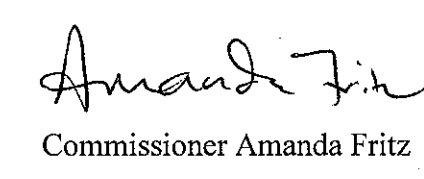
public role in the decision-making process to close post offices. Portland's long history of devotion to public involvement in decision- and policy-making has served it well.



The City of Portland is also planning for its future through the Portland Plan—the City's road map for the next 25 years, guiding our direction as the city grows and changes. Through this planning process, we have worked with Portlanders to establish values and define goals for this city.

Equity of service and opportunity has risen to the top of these lists of values and goals. We hope that we and the community can work with the USPS to identify a path forward that maintains a level of service that provides equitable access to Portland's residents and achieves the needed efficiency for the USPS to thrive.

Much has changed in the way we communicate with each other since the inception of the USPS and there are many challenges to be met. We hope that changes in your operations maintain our shared values of transparency, public involvement and equity. You have our commitment that we will work with Oregon's congressional delegation toward addressing the systemic financial problems faced by your organization so that the essential services it provides will continue to serve our community. Thank you.

Sincerely,

  
Mayor Sam Adams Commissioner Nick Fish Commissioner Amanda Fritz

 
Commissioner Randy Leonard Commissioner Dan Saltzman