

Congress of the United States
House of Representatives
Washington, DC 20515-4906

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November 29, 2010

The Honorable David Williams
Inspector General
Office of the Inspector General
United States Postal Service
1735 N. Lynn Street
Arlington, VA 22209-2020

Dear Mr. Williams:

I am requesting an audit of the United States Postal Service's Oshkosh, Wisconsin, Area Mail Processing (AMP) proposal. It has been brought to my attention there may be many irregularities regarding the USPS Lakeland District's application of the AMP guidelines to the Oshkosh study.

I believe USPS has developed a business case for closing the Oshkosh facility without fully analyzing all of the purported savings and costs associated with moving the mail processing operations currently performed at the Oshkosh Processing and Distribution Center (P&DC) to the Green Bay P&DC. Regarding the proposed savings of \$4.6 million, I would like assurance that USPS has taken into consideration all the one-time costs associated with this potential consolidation, such as the costs of relocating and retraining staff, moving mail processing equipment, and redesigning the facility to accommodate the new equipment, increased truck traffic and increased mail volume.

Specifically, I would like to know whether the costs of acquiring a new annex at the Green Bay facility for its carriers have been considered. It is my understanding that Green Bay currently houses its carriers at its P&DC, and if this consolidation is approved, they will need to be relocated in order to accommodate new machinery and increased mail volume. Due to the lack of space in Green Bay, I have been told that mail will have to be stored in tractor trailers parked outside the facility, which does not seem an efficient method of operation. I have heard from USPS representatives that the cost for a new annex will be offset by the excessing of the Oshkosh facility; however, due to the state of the current commercial real estate market, I believe there will be additional "carrying costs" of the vacant space in Oshkosh for an undetermined period of time that should most certainly be taken into consideration. There also will be costs associated with moving the retail operations currently at the Oshkosh facility to a new location if the current building is vacated that will need to be accounted for.


I am also concerned about the lack of information provided to my office, postal employees, and the local community. We have been asked to comment on the study, but have been given no information on what data or assumptions were used to reach the estimate of \$4.6 million in savings.

Also, we have not received an adequate response as to why an 11-month study of the Green Bay facility was abruptly halted earlier this year only to have the USPS launch the Oshkosh AMP which was completed in a few months. In September, I requested information on the Green Bay study and was told by letter dated November 19, 2010, that such information would not be released because the study was never completed. However, the City of Oshkosh, the Oshkosh Chamber of Commerce, and WBAY TV in Green Bay have filed a Freedom of Information Act request and it is my understanding that they will receive the information (with some redactions) in early December.

Additionally, an earlier Oshkosh AMP from 2007, which also was never finalized, was released to the American Postal Workers Union. At the very least, the Postal Service's policy on releasing AMP information to Congress, employees and the impacted public is confusing and appears to be applied inconsistently.

The information USPS has presented to the public and my office has provided no insight as to the basis on which it has determined the cost savings associated with this potential consolidation. Therefore, I am forced to request an audit. My constituents deserve to know that any decision to close an important facility in Oshkosh is based on merit. Please do not hesitate to contact me with any questions, and I look forward to receiving your report.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Petri". The signature is written in a cursive style with a large, prominent "P" and "i".

Thomas E. Petri
Member of Congress

Cc: Honorable John E. Potter, Postmaster General
Karen Schenck, Lakeland District Manager