I have composed the below highlights of the 50 page APWU 2015-2018 Contract Arbitration Award in an attempt to help clarify the award without adding much (only 3 NOTES) and greatly reducing the amount of pages. This is actual language from the Neutral Arbitrator Goldberg. I hope this assists our membership in developing their opinion of the new contract. I do believe that with the Rural Carriers Agreement and current economic environment, this contract could have been much worse. Once again, I applaud the work by APWU President Dimondstein, Phillip Tabbita, and all that were involved in the Negotiation and Arbitration Process.

Sam Wood  www.swfloridaapwu.org
President - Southwest Florida Area Local / APWU

**APWU 2015-2018 Contract Arbitration Award Summary**

Interest Arbitration Panel
Stephen B. Goldberg - Neutral Arbitrator
Phillip Tabbita - APWU Member
Robert Dufek - USPS Member

These are excerpts from the Arbitration Decision and actual quotes from the Neutral Arbitrator (Stephen Goldberg)

"In sum, having considered all the evidence and arguments, particularly the USPS-NRLCA (National Rural Letter Carriers Association) Agreement, I have determined to award similar compensation and benefit provisions to the APWU-represented employees involved in this case as were negotiated in the USPS-NRLCA Agreement."

**MULTIPLE CAREER WAGE SCHEDULES**

"Having considered the parties' arguments, noting that the Postal Service maintained, but did not expand, the two-career scale system with the Rural Carriers, and given the other provisions of this Award, I reject the proposals of both parties to revise the career pay scales from what is presently in place."

**DURATION**

"The 2015 Agreement will be for a 40-month period, expiring on September 20, 2018"

**AWARD ON ECONOMIC ISSUES**

**WAGES**

"Career bargaining unit employees are granted the following general wage increases."

- 1.2% effective November 14, 2015
- 1.3% effective November 26, 2016
- 1.3% effective November 25, 2017

**COLA**

"In view of the 45-year history of COLAs in both voluntary and arbitrated contracts between the Postal Service and the APWU, I will not disturb the COLA in the 2015 Agreement, other than, as was agreed to in the NRLA contract, to update it's base month to July 2014"

"The COLA formulated in the 2010 Agreement shall continue to be utilized with a July 2014 Index base month."

NOTE: PSE's do not receive COLA's.

**HEALTH BENEFITS**
"I will award a continuation of a trend in the last two Agreements between the APWU and the Postal Service. The Postal Service’s share of employee health insurance premiums will be reduced by 1% per year on the following schedule:

* For Plan Year 2017, the bi-weekly Employer contribution for FEHB plans will be 75% of the weighted average bi-weekly premiums as determined by the OPM, and will not exceed 78.25% for any individual plan.
* For Plan Year 2018, the bi-weekly Employer contribution for FEHB plans will be 74% of the weighted average bi-weekly premiums as determined by the OPM, and will not exceed 77.25% for any individual plan.
* For Plan Year 2019, the bi-weekly Employer contribution for FEHB plans will be 73% of the weighted average bi-weekly premiums as determined by the OPM, and will not exceed 76% for any individual plan.

UNIFORMS

"Prior agreements show that the allowance for uniforms and work clothes has generally been increased by 2.5% per year. The panel awards the same increase. In light of the passage of time since the expiration of the prior agreement, this Award shall adjust the first increase as follows:"

* Effective May 21, 2016, the allowance for uniforms and work clothes will be increased by 5%
* Effective May 21, 2017, the allowance for uniforms and work clothes will be increased by 2.5%
* Effective May 21, 2018, the allowance for uniforms and work clothes will be increased by 2.5%

POSTAL SUPPORT EMPLOYEES (PSE’s)

"I am not persuaded that the PSE category should be eliminated and all current PSEs converted to career status. The value of non-career workforce to the Postal Service in terms of workforce flexibility and labor cost control is amply shown by the uninterrupted continuation of a non-career workforce for nearly 50 years. Rather than eliminate PSEs, the Panel examined the justifications for their use separately in each of the APWU-represented crafts in order to determine whether, in a particular craft, those justifications warrant continuing the use of PSEs. To the extent the Panel authorizes continuation of the PSE category, it will also consider what alterations in PSE wages and working conditions are appropriate to address the concerns raised by the evidence presented, while at the same time giving due weight to the Postal Service's interests in workforce flexibility and cost control."

MAINTENANCE CRAFT (PSE’s)

1. Within 60 days of the effective date of the Award, the Postal Service will convert “in-place” all Maintenance Craft Postal Support Employees (PSEs) to career status, either to full-time regulars (FTRs) or part-time regulars (PTRs), consistent with the duty assignment the PSE currently works.
   2. Upon completion of all conversions, the category of Postal Support Employees within the Maintenance Craft will cease to exist and references to the term "Maintenance Craft PSE" will be deleted from the National Agreement.
3. Maintenance Craft PSEs who have already served one full term as a PSE will not be required to serve a probationary period pursuant to Article 12, Section 1, after conversion to career.
4. The completion conversion of all Maintenance Craft PSEs to career status in the Maintenance Craft pursuant to this Award fully resolves all disputes as they relate to PSEs. Any such outstanding disputes, in any forum, shall be withdrawn.
5. The 2010 Maintenance Craft Jobs MOU shall terminate as of the effective date of this Award. Furthermore, the 2010 Maintenance Craft Jobs MOU may not be cited or used in any subsequent dispute resolution proceedings for any reason whatsoever. Any grievance or dispute resulting solely from the 2010 Maintenance Craft Jobs MOU shall be withdrawn. Disputes/grievances filed pre-dating the 2010 Maintenance Craft Jobs MOU, including but not limited to Q94C-4Q-C 98062563; Q00T-4Q-C 06082533; et. al, that were held as being related to the Maintenance Craft Jobs MOU will be released and processed in accordance with the National Agreement.

MAINTENANCE - ARTICLE 32 EXCEPTIONS
"The Postal Service asks that these matters be excepted from Article 32.1.A. I have concluded that it should be granted. The work that the Postal Service seeks to exempt from Article 32.1.A is limited in scope and does not appear to be work normally or frequently performed by bargaining unit personnel."

**MOTOR VEHICLE CRAFT (PSE's)**

1. The Postal Service will convert all Motor Vehicle Craft Postal Support Employees (PSEs) to career status. In the future, PSEs will be permitted in the craft only when created in accordance with Paragraph 2 in the 2010 Motor Vehicle Craft Jobs MOU.
2. The conversions to career status will occur as soon as is reasonably practicable, but no later than sixty days from the effective date of this Award.
3. Motor Vehicle Craft PSE’s will be converted to career status as either full-time regulars (FTRs) or part-time flexibles (PTFs).
4. Motor Vehicle Craft PSEs who have served one full term as a PSEs will not be required to serve a probationary period as required by Article 12, Section 1, after conversion to career.
5. Paragraphs 1, 3, and 4 of the 2010 Motor Vehicle Craft Jobs MOU shall terminate as of the date of this Award. The terminated provisions of the Motor Vehicle Craft Jobs MOU may not be cited or used for any subsequent dispute resolution proceedings for any reason whatsoever. Any grievance or dispute solely from the Numbered Paragraphs 1, 3, and 4 of the Motor Vehicle Craft Jobs MOU shall be withdrawn. Disputes/grievances filed pre-dating the 2010 Motor Vehicle Craft Jobs MOU that were being held as being related to the Motor Vehicle Craft Jobs MOU will be released and processed in accordance with the 2015 National Agreement.

**MOTOR VEHICLE - MOU RE: HIGHWAY CONTRACT ROUTE (HCR) LIMITATION**

1. For the term of the 2015 National Agreement there will be a moratorium on any new subcontracting of mail transportation by Highway Contract Route (HCR) pursuant to Article 32 in offices where Postal Vehicle Services (PVS) drivers are currently employed.
2. Specifically included in the moratorium is the nationwide subcontracting of all Postal Vehicle Service pursuant to Article 32.B and any "mode conversion" of PVS to HCR at a specific facility, and any new conversions from PVS to HCR.
3. Specifically Excluded from the moratorium are those HCR contracts currently in effect. The renewal of these contracts shall be in accordance with the provisions of the National Agreement. The renewal of contracts to account for additional service points that are added in consideration of service standard changes, changes in service areas, and/or emergent business needs of postal customers.
4. For the term of the 2015 National Agreement, the following revisions to Article 8 of the National Agreement will be applicable to full-time PVS driver duty assignments:
   a. Normally duty assignments will be eight (8) hours within nine (9) hours.
   b. A work day of eight (8) hours within ten (10) hours may be appropriate when 8 hour schedules contain report to dispatcher time or idle time, or when an additional trip is not possible due to time restraints in the middle or nearing the end of tour.
   c. Normally work schedules will have consecutive days off. When operationally necessary, up to 20% split days off, by installation, are permitted.
5. The parties will develop a pilot program in no more than 3 sites, jointly selected by the parties, to study the feasibility of drivers performing other work during down time between runs. After first looking for other work in the Motor Vehicle Craft, any other APWU work may be assigned.
6. The parties will implement a dynamic routing pilot in Louisville, KY and Tacoma, WA to commence within one year after the affective date of the 2015 National Agreement and last for no less than one year. The pilot program will consider the incorporation of HCR runs or segments of runs into the dynamic routing pilots.
7. Part-Time Flexible (PTF) positions will be capped at twenty (20%) of the Motor Vehicle Craft complement by installation. The rounding up rule of .5 shall apply.
8. PTF positions established in the Motor Vehicle Craft will be guaranteed a minimum work schedule of twenty-four (24) hours per pay period. NOTE: PTF’s have only had guarantees of 2 hrs per PP in the past.

9. Any changes to current staffing at facilities caused by application of the terms in Paragraph 4, above, including the reclassification and/or reposting of duty assignments pursuant to Article 39 will be undertaken as soon as practicable but no later than 120 days after the effective date of the 2015 National Agreement.

CLERK CRAFT

"I find support for the need for lower-cost PSE’s in mail processing and retail from the evidence of what some of the Postal Service’s competitors pay in their mail processing and retail functions. This evidence included examples of pay rates for UPS and FedEx mail processing and retail personnel that were below PSE rates."

The Award regarding Clerk Craft PSEs is the following:

1. All Clerk Craft PSEs in 200 Man Year offices with a relative standing date prior to 2.5 years from the effective date of this Award shall be converted to career status.
2. The conversion to career status will occur as soon as administratively practicable, but no later than sixty days from the date of issuance of this Award.
3. Clerk Craft PSEs converted to career status under this provision will not be required to serve a probationary period.
4. After one year from the effective date of this Award, the parties will evaluate the possibility of another one-time conversion of Clerk Craft PSEs.

"I grant the request for a moratorium on the specified retail contracting out initiatives. I do not award the moratorium for the term of the 2015 Agreement, but limit it to one year from the date of this Award, unless extended by mutual agreement of the parties."

CLERK CRAFT - NON-TRADITIONAL FULL-TIME DUTY ASSIGNMENTS

"I award the elimination of the NTFT duty assignments in Function 1 (Mail Processing) and Function 3A (Motor Vehicle). NTFT duty assignments will be capped and controlled in Function 4 (Retail), and will not apply to POSTPlan offices because the parties have agreed to treat Function 4 POSTPlan NTFT duty assignments differently."

PSE WAGES AND BENEFITS

The Wage Increases for PSEs shall be:

* PSEs will receive annual 1% wage increases in addition to the general wage increases provided above for career employees (i.e., 2.2%, 2.3% and 2.3%)
* PSEs will also receive wage increases in addition to the general and annual increases above as follows:
  
  $0.09 per hour retroactive to November 14, 2015
  $0.20 per hour effective May 13, 2017
  $0.21 per hour effective May 26, 2018

NOTE: These extra wage increases are due to PSE’s not being entitled to COLA’s that career employees receive.

"I have determined, in light of the annual leave already provided to PSEs, as well as other provisions of this Award that improve PSE compensation and working conditions, not to add a separate category of PSE sick leave."

"I view the APWU proposal for holiday leave pay differently. PSEs are not paid when their office is closed on a holiday. Nor do they receive any additional pay when they do work holidays, as evidence shows they are frequently required to do in mail processing. In recognition of the legitimate demand of the APWU for some PSE holiday benefits, I shall award PSEs holiday leave pay for the following six major holidays, subject to the eligibility guidelines contained in Article 11.2:"
New Years Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Christmas Day

"The number of hours of holiday leave pay that a PSE receives for each of the above holidays will be determined by the size of the office in which he/she works"
200 Man Year Offices - 8 Hours
POStPlan offices - 4 Hours
All other offices - 6 Hours

"PSEs who work on a holiday may, at their option, elect to have their annual leave balance credited with 4, 6, or 8 hours (as applicable) of annual leave in lieu of receiving holiday leave pay."

"During the course of these proceedings, the parties reached agreement on amending Article 21 and the PSE MOU to expand the health insurance options for PSEs. Although discussion of that agreement is not necessary to include in this Award, it is an improvement for PSEs that has been considered as part of the overall evidence of PSE wages and benefits.

**NON-ECONOMIC ISSUES**

"During collective bargaining, the parties entered into tentative agreements (TAs) on non-economic issues, each TA being contingent upon an overall National Agreement being reached. Since my Award, together with those portions of the 2010 Agreement that neither party sought to change, constitutes a National Agreement, such TAs are now final and are incorporated into this Award. They are listed in Attachment 1."

**ATTACHMENT 1**

<table>
<thead>
<tr>
<th>Article/Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>JCIM Article 12 (Area/Regional Notification)</td>
</tr>
<tr>
<td>JCIM Article 38.5.B PER</td>
</tr>
<tr>
<td>JCIM Article 38.1.1 Excess Employees</td>
</tr>
<tr>
<td>JCIM Article 38.5.A Preferred Assignment Registers</td>
</tr>
<tr>
<td>JCIM Article 38.5.B.7 Order for Filling Vacant Maintenance Positions</td>
</tr>
<tr>
<td>Articles 12.5.C.b(6) and 37.3.B.1</td>
</tr>
<tr>
<td>Article 14.3.A Safety and Ergonomics Committee Expenditures</td>
</tr>
<tr>
<td>Article 15.3 Mediation</td>
</tr>
<tr>
<td>Article 28.4.C Collection Procedures</td>
</tr>
<tr>
<td>Article 37.5.D PSE Career Opportunity</td>
</tr>
<tr>
<td>Article 38.3.K.2, 3, 4 Excess Employees</td>
</tr>
<tr>
<td>Article 38.7 ET-11</td>
</tr>
<tr>
<td>Article 38.3.K.6 Excess Employees</td>
</tr>
<tr>
<td>Article 38.K.2 Excess Employees</td>
</tr>
<tr>
<td>Article 38.2.E Service Seniority</td>
</tr>
<tr>
<td>Article 38.3.K Retreat Rights</td>
</tr>
<tr>
<td>Article 39.1.H Multi-Craft Positions</td>
</tr>
<tr>
<td>Article 39.2.A.9 Non-Bargaining Unit Detail</td>
</tr>
<tr>
<td>Article 39.1.I Vacation Scheduling</td>
</tr>
<tr>
<td>Article 39.1.C Occupational Group</td>
</tr>
<tr>
<td>Article 39.2.A NTFT Duty Assignment</td>
</tr>
<tr>
<td>Article 39.3 VMAs</td>
</tr>
<tr>
<td>PSE SSDA Uniforms</td>
</tr>
<tr>
<td>MOU re: Excessing Clerk Craft Without Regard to Levels</td>
</tr>
<tr>
<td>MOU re: Assignment of PTF Hub Clerks</td>
</tr>
<tr>
<td>MOU re: Electronic Technicians PS-11</td>
</tr>
<tr>
<td>MOU re: District Safety Committees Pilot Program</td>
</tr>
<tr>
<td>MOU re: Leave Sharing</td>
</tr>
</tbody>
</table>
LAYOFF PROTECTION

"Each employee who is employed in the regular work force as of July 8, 2016 and who has not acquired the protection provided under Article 6 shall be protected henceforth against any involuntary layoff or force reduction during the term of this agreement. It is the intent of this Memorandum of Understanding to provide job security to each such employee during the term of this agreement; however, in the event Congress repeals or significantly relaxes the Private Express Statutes this Memorandum shall expire upon the enactment of such legislation. In addition, nothing in this Memorandum of Understanding shall diminish the rights of any bargaining-unit employees under Article 6.

Since this Memorandum of Understanding is being entered into on a nonprecedential basis, it shall terminate for all purposes at midnight, September 20, 2018, and may not be cited or used in any subsequent dispute resolution proceedings."

PLANT CONSOLIDATION

"I shall award that the existing moratorium on further plant consolidations be extended to April 2017, one year from the expiration of the Postal Service's self-imposed moratorium, nine months from the issue of this Award."