Case4:12-cv-05327-YGR Document40 Filed11/02/12 Page1 of 6

1	Darryl J. Anderson (DC Bar No. 154567) (pro ha Sarah Kanter (NY Bar) (pro hac vice)	c vice)
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11	pthoreen@altshulerberzon.com	
12	Attorneys for Plaintiffs AMERICAN POSTAL WORKERS UNION, AF	
13	and SAN FRANCISCO LOCAL 2, AMERICAN POSTAL WORKERS UNION, AFL-CIO	L-CIO
14	POSTAL WORKERS UNION, AFL-CIO	
15	UNITED STATES	DISTRICT COURT
16	NORTHERN DISTRI	CT OF CALIFORNIA
17	SAN FRANCISCO/C	AKLAND DIVISION
18	AMERICANI DOCTAL WORKERG INJON	C N CW 10 05205 Y/CD
19	AMERICAN POSTAL WORKERS UNION, AFL-CIO and SAN FRANCISCO LOCAL 2,	Case No. CV-12-05327 YGR
20	AMERICAN POSTAL WORKERS UNION, AFL-CIO,	REPLY DECLARATION OF ROBERT PRITCHARD IN SUPPORT OF
21	Plaintiffs,	PLAINTIFFS' MOTION FOR A PRELIMINARY INJUNCTION
22	v.	
23	UNITED STATES POSTAL SERVICE,	
24	Defendant.	
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- I, Robert Pritchard, in lieu of an affidavit as permitted by 28 U.S.C. Section 1746, declare as follows:
- 1. I am the elected Director of the Motor Vehicle Services (MVS) Division of the American Postal Workers Union, AFL-CIO (APWU). In that capacity, I have submitted two previous declarations in support of Plaintiffs' Motion for a Preliminary Injunction in the above-captioned case.
- 2. On October 31, 2012, I received a packet of documents from the Postal Service. These documents included a letter dated October 26, 2012 (a true and correct copy of which is attached hereto as Exhibit A) from Patrick M. Devine, the Postal Service's Manager, Contract Administration, for the National Agreement between the Postal Service and the Union; revised Form 5505s for each Postal Vehicle Service ("PVS") facility in California (a true and correct copy of which is attached hereto as Exhibit B); and "HCR Cost Estimates," with an accompanying spreadsheet (a true and correct copy of both of which is attached hereto as Exhibit C).
 - 3. Mr. Devine's October 26, 2012 letter stated:
 - On Friday, October12, the Postal Service met with you to discuss the Postal Service's proposal to convert all of the Postal Vehicle Service (PVS) operating in the Pacific Area (excluding Hawaii), to Highway Contract Route (HCR) service. Subsequent to that meeting, the Postal Service reviewed the APWU's contentions stated in your cost comparison dated October 5 and discussions held in the October 12 meeting. The Postal Service has taken your cost comparisons into consideration and revised the PS Form 5505(s).
- 4. The revised Form 5505s purport to show a cost savings of approximately \$24 million dollars per year, which is significantly less than the approximately \$87 million savings claimed by the Postal Service in an earlier letter sent to me by Mr.

 Devine on August 13, 2012. A true and correct copy of the earlier "5505 Cost Evaluation California Postal Vehicle Service vs. Highway Contract Service," which accompanied Mr. Devine's August 12, 2102 letter and purported to show a cost savings of approximately \$87 million, is attached hereto as Exhibit D.
 - 5. As far as the APWU can verify, the only change the Postal Service made

to the revised Form 5505s is to cure the double counting of truck costs (which the APWU previously pointed out). Previously the Postal Service had counted both the cost per hour and the cost per mile which were simply two ways of measuring the same cost. In the revised Form 5505s the Postal Service has eliminated this duplication by eliminating the cost calculated as cost per hour and keeping cost per mile.

- 6. The revised 5505s still overstate cost differences between the PVS and Highway Contract Service ("HCR") contractors (that is, contracting out the work to private contractors) in the following ways:
- 6. a) The total number of hours worked by Postal Service employees is inflated by 3%. The Postal Service adds 3% to the total number of hours worked by Postal Vehicle Service employees because Article 32, Section 2.E.3 of the National Agreement requires that when calculating the cost for PVS employees to perform work, "[t]he Postal Vehicle Service will be charged 10 minutes at the start and 10 minutes at the end of each route, regardless of the vehicle used." But, to determine the number of hours actually worked by employees, the Postal Service uses Form 4533, which itself already adds an additional 10-15 minutes (the actual amount varies) before and after each route, thereby satisfying the "10 minutes" requirement of Article 32, Section 2.E.3. (A true and correct copy of Form 4533 is attached hereto as Exhibit E.) By adding an additional 3%, the Postal Service is augmenting the apparent labor cost of PVS by 3%, without justification.
- 6. b) Management costs are counted twice. The Postal Service should not include management costs as its own separate item of cost on the Form 5505 because management costs are already accounted for in the costs used to calculate the vehicle cost per mile. A true and correct copy of USPS Institutional Interrogatory Response APWU / USPS-35a in Postal Regulatory Commission Case No. N2012-1 (filed July 2, 2012) is

attached hereto as Exhibit F. This document shows that management costs are already included in the costs that are used to calculate vehicle costs.

- 6. c) The Postal Service's labor costs per hour are overstated because the Postal Service has neglected to factor in the number of lower-paid temporary employees, called Postal Support Employees ("PSEs") it employs as PVS drivers, when it determines labor costs. PSEs earn much less than either Level 7 motor vehicle operator or Level 8 tractor trailer operator, which are the rates of pay they use to calculate *all* labor costs on the Form 5505. The Postal Service is contractually entitled to employ PSEs to make up as much as 10% of its PVS workforce within each District. The National Agreement also allows the Union and Postal Service to negotiate a higher percentage of PSEs. The Postal Service currently employs approximately 69 PSE drivers in California which is approximately 8% of the PVS workforce in California.
- 6. d) The Postal Service continues to use \$999 as the total administrative cost for each and every HCR contract in California. The Postal Service currently employs three Network Specialists in San Diego alone, who are responsible for administering HCR contracts. In San Francisco, the Postal Service employs 5 Network Specialists. Network Specialists serve as the intermediary between the HCR company and Postal Service management. They are responsible for resolving issues, conflicts, and additional service requirements; adjusting current HCR transportation to align with the changing transportation needs of the Postal Service; requesting additional trips for mail or equipment from the HCR contractor (and possibly for negotiating the rate of compensation for such additional trips or equipment); creating new contracts and monitoring the mail volume to determine if the HCR contract needs to be adjusted; and authorizing compensation adjustment for such items as fuel, tolls and mileage. The

omission of the cost of these Network Specialists from the cost of HCR contracts results in a substantial understatement of the cost of those contracts. In addition, the Postal Service must incur costs for employees who pay the HCR contractors, and who procure fuel and reconcile the fuel bills for those contractors. The Postal Service projects, for example, that the HCR contract for the Los Angeles Processing and Distribution Center will cost \$13,981,033.06. The Postal Service will incur very substantial costs in negotiating and administering that contract, but its Form 5505 for Los Angeles shows the administration cost as only \$999 per year. Such a low cost is simply not credible.

- 6. e) Most importantly, the APWU can only attempt to verify the numbers given for the cost of PVS. The Postal Service uses a Form 7463A to calculate the cost of HCR contracts. This form is prepared in two versions. One version is prepared by postal managers, using their best estimate of what the contract costs will be. The other version is prepared by the HCR contractor and submitted to the Postal Service, showing what the contractor estimates its cost will be. These forms are then used as a basis for the contract between the Postal Service and the contractor. Despite the importance of the information on these forms to the Union, the Postal Service has refused to provide copies of these forms or to provide the Union with this information in another format. The manner in which the Postal Service determines the cost of HCR contracts is not transparent, and therefore it is impossible to verify that a fair cost comparison is being conducted and that the Postal Service's claim as to the amount of money it will save, if any, is accurate.
- 7. Article 12, Section 5.B.1 of the National Agreement provides, "Excessing of APWU employees within the same Postal Area cannot occur more than once in any three (3) calendar month periods except by mutual agreement of the parties." All postal facilities in California are located in the Pacific area (which also includes Hawaii).

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1	Employees in Anaheim P&DF, Industry P&DC, Long Beach P&DC, San Francisco
2	P&DC and Santa Ana P&DC have been informed that they will be excessed on
3	November 17 2012. Pursuant to Article 12, Section 5.B.1, the earliest PVS employees at
4	other PVS facilities in California can be excessed is February 17, 2013. Any claimed
5	savings by the Postal Service February 17, 2013 should limited only to the facilities that
6 7	are scheduled for excessing on the November 17, 2012.
8	I declare under penalty of perjury that the foregoing is true and correct.
9	Executed this 2nd day of November 2012, at Washington DC.
10	Executed this 2nd day of two emoci 2012, at washington DC.
11	Reliert C Preterno)
12	Robert Pritchard
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EXHIBIT A

LABOR RELATIONS



October 26, 2012

Robert C. Pritchard
Director, Motor Vehicle Services Division
American Postal Workers Union,
AFL-CIO
1300 L Street, NW
Washington, DC 20005-4107

Certified Mail Tracking Number: 7010 0290 0003 7105 1424

Dear Bob:

On Friday, October 12, the Postal Service met with you to discuss the Postal Service's proposal to convert all of the Postal Vehicle Service (PVS) operating in the Pacific Area (excluding Hawaii), to Highway Contract Route (HCR) service. Subsequent to that meeting, the Postal Service reviewed the APWU's contentions stated in your cost comparison dated October 5 and discussions held in the October 12 meeting. The Postal Service has taken your cost comparisons into consideration and revised the PS Form 5505(s).

Per Article 32.2.D of the National Agreement, please see the enclosed revised copy of the Cost Evaluation – California Postal Vehicle Service vs. Highway Contract Service, and copies of PS Forms 5505.

In addition, in response to your letter dated October 4, indicating the Postal Service "...has not provided the APWU Article 32 information requested necessary to be in compliance," please be advised the Postal Service previously responded to this request in an email dated October 5, to you from Gwen Stembridge of my staff indicating this information is "...proprietary information... supplier's line item costs are not public information. It should also be noted the denial of request for similar information has been upheld by the NLRB (See Case 28--CA-21451) where the Administrative Judge ruled, '...I concur with the Respondent's argument that the Form should be protected against disclosure based on proprietary and confidentiality concerns, which outweigh the Union's need for the information."

Please be advised the Postal Service stated in the October 12 meeting (and previous meetings held on Article 32) that due to proprietary information indicated on the PS Forms 7364a, this information will not be provided to the APWU. However, the Postal Service will supply a summary of the information on HCR costs for your review.

Please see enclosed for your review, a summary of HCR cost estimates (5505), with an explanation of how HCR costs are calculated.

If there are any questions, please contact Gwendolyn Stembridge of my staff at extension 5084.

Sincerely,

Patrick M. Devine

Manager

Contract Administration (APWU)

Enclosure

bcc: Mr. Tulino

Mr. Devine

Mr. Alexandrovich

Mr. Cavallo

Ms. Perron

Mr. Dufek

Ms. Hércules

Ms. Ledbetter

Mr. Mlakar

Mr. Mohl

Mr. Moore

Ms. Stevenson

Ms. Adona

Mr. Berrang

Mr. Coffey

Mr. Dean

Mr. LeFevre

Mr. Pluguez

Ms. Randolph

Ms. Stembridge

Mr. Brill

File: PVS Conversion, Pacific Area-Article 32, Revised 5505 Reading (Stembridge)

Z:\STAFF FOLDERS\Stembridge\Motor Vehicle\Article 32 2012\Pacific Area REVISED 5505s 10.2012.doc

EXHIBIT B

Case4:12-cv-05327-YGR Document40-2 Filed11/02/12 Page2 of 19 U.S. Postal Service

COST EVALUATION - POSTAL VEHICLE SERVICE VS. CONTRACT SERVICE

1. Route No.	2. Type of Rou	te	3. An	nual Mile	s			4. Annual	Estimate	d Schedule Hours	5.	
Part A	1	PVS			118,9	28.5			6.19	91.20		Existing Contract
6. Origin Term	inus:					Destination Terr	minus:		2.1		1 -	Existing P.V.S.
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Truck, less	300 to 600	600 to 900	Van ove	er e	Tractor					railers (Length)		
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X MVS	S Operator	Carrier		Oth	er	Tractor	railer	Opertor LV	L-08	43.	94	
		Driver Cost	t				301-01		-	ehicle Cost		
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				251.46		SAT		\$1.2		118,928.5	\$	146,282.04
12, Saturday F	lours (from Form	1 4533)				21, Veh. Own	ership	Cost Per F	lour	Hours (line 16)	Depreci	ation Cost
				51.61		SAT		\$0.0	000	6,376.9	\$	-
13. Sunday Ho	ours (from Form	4533)				22. Trailer Co	st	PAC		(C) = 1+1+1+1+1+1+1+1+1+1+1+1+1+1+1+1+1+1+1		
				51.61								
14. Holiday Ho	urs (from Form	4533)				Number	3	x Annual	Cost =	\$1,149.00	- \$	13,788.00
				10							1.	10,100.00
15. Annual Ho	urs (from Form 4			x Percent of	Actua	l Use =			_			
			6191.2									
	r Contingencies					23. Total Vehi					1	
(line 15 x 1	.03)				1	(lines 20	+ 21 +	- 22)			1	
			6376.9							\$	160,070.04	
17. Driver's Ra			l l	Hours (16)	24. Toll Fees (Attach Statement)							
See 10. Al			\$2	80,202.	2.57 25. Tort Claims Cost per mile Miles (Line 3)						\$	×
18, Premium P	ry Even If "0")					25. Tort Claim	s Cos	st per mile	Mile	s (Line 3)		
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27. Manageme	nt Cost per hour	Hour	s (line 16)					Fotal Postal (lines 26 + 2		Service Costs		
			6376.9)	\$1	4,348.11		(intes 20 + 2			\$4	88,119.66
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	Red	commendati	on By Ge	neral M	anager	/ Postmaster	Distr	rict				
					Signatur						Date	
32.	Postal Vehicle Service										Date	
Contract												
Recommendation						T		i D1		DNO	_	
			vecomme	iuation	by Mar	ager, Transp	ortat	uon Purch	nasing,	DNO	T	
	Postal Vehicle S	Service			Signatur	е					Date	
3.												
	Contract)		alienna III. mis		
Prepared by: (PRINT NAME)					art ed er i			by: (PRINT				
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14. Holiday Ho	urs (from Form	4533)		51.61		Number	× Anr	ual Cost =	\$1,149.00					
15. Annual Ho	urs (from Form	4533)	24267.3	10		x Percent of A	Actual Use =		<u> </u>					
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17. Driver's Ra				Hours (16)		24. Toll Fees (Attach Staten	nent)						
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					-	Cost Comparis	on							
30. Annual Cor	ntract Managem	ent Cost					31. Total Ani	nual Cost of	Contract	T				

Document40-2 Filed11/02/12 Page4 of 19 \$1.114.273.04 Case4:12-cv-05327-YGR Recommendation By General Manager / Postmaster District Postal Vehicle Service Signature Date 32. Recommendation By Manager, Transportation Purchasing, DNO Postal Vehicle Service Signature Date 33. Contract Prepared by: (PRINT NAME) Reviewed by: (PRINT NAME) CONTRACT TRANSPORTATION SPECIALIST MANAGER, TRANSPORTATION CONTRACTS 34. Signature and Date Signature and Date PS Form 5505 (March, 1992) (facsimile) - last update 3/20/07 Input data from HQ's Quarterly Cost Data into the yellow boxes below. Box 17 City Carrier City Carrier LVL-07 \$38.29 Motor Vehicle Operator Motor Vehicle Operator LVL-07 \$43.36 Tractor Trailer Operator Tractor Trailer Opertor LVL-08 \$43.94 Box 20 Intermediate INT \$1.35 Cargo Van \$1.48 VAN Tractor (SA) SAT \$1.23 Spotter (SP) SP \$3.73 Tractor (TA) \$1.41 TT Box 21 Intermediate INT \$8.79 Cargo Van VAN \$0.00 Tractor (SA) \$12.78 SAT Spotter (SP) SP \$9,42 Tractor (TA) TT \$14.17 Box 22 Trailer Cost NY Metro NY Metro \$1,288.00 NE NE \$2,097.00 EA EA \$1,634.00 \$1,098.00 CapMet CapMet West West \$1,125.00 PAC PAC \$1,149.00 SW SW \$2,393.00

Case4:12-cv-05327-YGR Document40-2 Filed11/02/12 Page5 of 19

COST EVALUATION - POSTAL VEHICLE SERVICE VS. CONTRACT SERVICE

1. Route No.	2. Type of Rou	te	3. An	nual Mile	s		4	. Annual Est	imated Sched	ule Hours	5.			
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19. Total Annu	al Driver Cost		φ	3,020.0	-	26. Total Posta	al Vehicle	e Service Or	erating Costs			\$14,633.62		
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29. Annual Co	ntract Operation	Cost	Estima	ated Rate		1 T 455 (5)	nual Rate of HCR	В			3	196,129.93		
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	Contract													
		ndation	By Man	ager, Transp	ortatio	n Purchas	ing, DNO							
	Postal Vehicle S	Service			Signature						Date			
33.	B. =										Date			
Contract														
Prepared by: (PRINT NAME)						Inc.	ni rinad b	/DDINT NO	MES					
CONTRACT TRANSPO					RTATION			(PRINT NA SER, TRANS	ME) SPORTATION	CONTRAC	TS			
1. Signature	Signature and Date						ature and					4		

PS Form 5505 (March, 1992) (facsimile) - last update 3/20/07

THE RESERVE OF THE PARTY OF THE	Management Costs (Administrative Costs)				ICR		\$			999.00 Pag	jeo or 1	9					
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Central			4		entral												
State of the state	cc	ST EVAL		l - PO:		S. Postal S VEHICLE			. CON	TRACT SER	VICE						
1. Route No.	2. Type of Rou	te	3. An	nual Mile	s			4. Annual	Estimate	ed Schedule Hours	5.						
Part B		PVS	1000		222,	678.6			14,8	30.44		Existing Contract					
6. Origin Term					7	. Destination Te		. MARKET MARKET TO SERVICE OF THE SE	despector.			Existing P.V.S.					
	INDU	ISTRY P&	DC				3	VARIC	US			Proposed Service					
				Ω	Numb	per of Vehic	oloc No	oodod									
Truck, less	300 to 600	600 to 900	Van ov		Tractor	Del OI Verill	CIES IN	Needed		Frailers (Length)							
than 300 cu. ft.	cu. ft.	cu. ft.	900 cu.		11000	Feet	Feet		Feet	Feet	Feet	Feet					
			10				10. Usual level of employee assigned:										
9. Craft of Posi	tal employee: Operator	Carrier		Ott	ner		vel of em vehicle O	20 10	50	43	3.36						
		Driver Cos	+			T				Abiala Cast							
11 Weekday F	lours (from Forr		1	Г	T	20. Veh. Ty	ne T	Cost per r		Miles (line 3)	Vahiala (Describe Cost					
i i vvoonday i	iouio (iioiii i oii	11 4000/	251.46				VAN \$1,480			222,678.6	\$	Operating Cost 329,564.39					
. Saturday H	ours (from Form	n 4533)	51.61			21. Veh. Ov VAN	. 1		Hour 000	Hours (line 16) 15,275.4	Deprecia \$	ition Cost					
13. Sunday Ho	urs (from Form	4533)		51.61		22. Trailer (Cost	PAC									
14. Holiday Ho	urs (from Form	4533)		10		Number		x Annua	\$1,149.00	_							
15. Annual Hou	urs (from Form 4	1533)	14830.4			x Percent	of Actual	Use =			_						
16. Adjusted fo	r Contingencies					23. Total Ve	hicle Cos	st									
(line 15 x 1	.03)		15275.4			(lines 2	0 + 21 + 2	22)			\$3	329,564.39					
17. Driver's Ra See 10. Al			20	Hours (16)	_	24. Toll Fee	s (Attach	Statemen	nt)								
18. Premium P			-	JOE, 000.	01	25. Tort Cla	ims Cost	per mile	Mile	es (Line 3)	\$						
(Requires Ent				16,925.	30	20, 1011 010		per mile	, which	Cine of		44,535.73					
19. Total Annua	al Driver Cost			379,265	DANIE!	26. Total Po	stal Vehi		e Operat	ing Costs		Participation (Participation Account					
			1 20	379,205.							\$	1,053,365.23					
07 14-22	(1	. In-	SEC MICHOLINE	77-310	Postal	Service Ove											
27. Manageme	nt Cost per hou	Hou	rs (line 16) 15275	.4	\$	\$34,369.54 28. Total Postal Vehicle Service Costs (lines 26 + 27) \$						87,734.77					
					Co	ntract Service	e Cost										
9. Annual Cor	tract Operation	Cost	Estim	ated Rate			of HCR				\$7	787,526.26					
						Cost Compa	rison			(((1)))							
30 Annual Cor	tract Managem	ent Cost			т-'	Cost Compar		ntal Annu	al Cost of	Contract							
1	3				315		1-11		0001 01		1						

mile.

411100110

Case4:12-cv-05327-YGR Document40-2 Filed11/02/12 Page7 of 19 \$788,525.26

Recommen	dation By General Ma	anager / Postmaste	r District		
Postal Vehicle Service		Signature		Da	ate
32				848	0400
Contract			03		
	Recommendation	By Manager, Trans	portation Purchasing, DNO		
Postal Vehicle Service	*	Signature		Da	ite
33.	71				
Contract					
Prepared by: (PRINT NAME)	CONTRACT TRANSPO		eviewed by: (PRINT NAME)		
34. Signature and Date	CONTRACT TRANSPO		MANAGER, TRANSPORTATION gnature and Date	ON CONTRACTS	
54. Oignature and Date		Sig	gnature and Date		
		1			
PS Form 5505 (March, 1992) (facs	simile) - last update 3/	20/07			
	ing the state of the state of	是1000 1000 1000 1000 1000 1000 1000 1000		Market Color of	NO SECULDADA NA DECIDIO DE SE
		近世界 (1)			
Inpu	it data fr	om HQ's	s Quarterly	Cost	
Da	ta into th	e yellov	w boxes bel	ow.	
	化等心态性是是一个	国数量学数据			
Box 17		注题的数据	一种原则是		
City Carrier	City Carrie	r LVL-07	\$38.29		
Motor Vehicle Operator	Motor Vehicle O		\$43.36	AREA HA	
Tractor Trailer Operator	Tractor Trailer 0	A STATE OF THE PARTY OF THE PAR	\$43.94		
	3	经过程	STATE OF SHARES		
Box 20	美国教育	Maria San S			
Intermediate	IN	T REPORT	\$1.35	5.000	
Cargo Van	VA	N	\$1.48		
Tractor (SA)	SA	To Line William	\$1.23		
Spotter (SP)	SI		\$3.73		
Tractor (TA)	OF THE STATE OF TH		\$1.41		
	3				
Box 21					
Intermediate	IN	BHL 40160 470 6764 BUS CO. C. S.	\$8.79		
Cargo Van	VA	AND PROPERTY OF THE PERSON OF	\$0.00		
Tractor (SA)	SA		\$12.78	No.	
Spotter (SP)	SI	AND DESCRIPTION OF THE PERSON NAMED IN COLUMN TWO IS NOT THE PERSON NAMED IN COLUMN TWO IS NAMED I	\$9.42		
Tractor (TA)			\$14.17		
	3				
			The state of the s		
Box 22					
Trailer Cost			04 000 00		
NY Metro	NY M		\$1,288.00		
NE .	N		\$2,097.00		
EA	E	RESOLUTION OF THE PROPERTY OF	\$1,635.00		
CapMet	Capi	RESIDENCE OF THE PROPERTY OF T	\$1,098.00		
West	We	MERCANDIC CONTRACTOR OF PROPERTY OF	\$1,125.00		
PAC	PA		\$1,149.00	Market N	

Case4:12-cv-05327-YGR Document40-2 Filed11/02/12 Page8 of 19 U.S. Postal Service

COST EVALUATION - POSTAL VEHICLE SERVICE VS. CONTRACT SERVICE

1. Route No.	2. Type of Rou	te	3. Ar	nual Mile	s		4.	Annua	I Estimated	d Schedule Hours	5.		
Part A					83,17	79.9			6,62	22.34		Existing Contract	
6. Origin Term	inus:				7.	Destination Ten	minus:				7	Existing P.V.S.	
	ANA	HEIM P&E)F				V	/ARIC	DUS			Proposed Service	
						er of Vehicl	es Ne	eded					
Truck, less than 300 cu. ft.	300 to 600 cu. ft.	600 to 900 cu. ft.	Van ov		Tractor	Feet	Feet		Teet	railers (Length)	Feet	Feet	
			""	170	2	238'	1000000	-45'	11 661	1 660	Leet	reet	
9. Craft of Pos	tal employee:	L		!_		10. Usual lev			ssigned:		1		
X MVS	S Operator	Carrier		Ott	er	Tractor '	Trailer Op	pertor L	VL-08	43.	94		
		Driver Cost	t				V44 - 574 - 5-		Ve	ehicle Cost			
11. Weekday ł	Hours (from For	m 4533)				20. Veh. Type	C	ost per	mile	Miles (line 3)	Vehicle	Operating Cost	
40.01.1.1				251.46		SAT		111034	.230	83,179.9	\$	102,311.23	
12. Saturday H	lours (from Forn	n 4533)				21. Veh. Owr	ership Co	ost Per	Hour	Hours (line 16)	1000000	ation Cost	
13 Sunday Ho	ours (from Form	4E22\		51.61	-	SAT 22. Trailer Co			.000	6,821.0	\$	-	
10. Guilday Fio	ruis (nom Form	4000)		NE 8790		22. Trailer Co	ISI	PAC					
14 Holiday Ho	urs (from Form	45331		51.61		Number	2	v Annii	al Cost =	\$1,149.00			
14. Holiday Ho	ura (nom rom	4555)		19623		Number	3	x Annu	al Cost =	\$1,149.00	- \$	3,447.00	
15. Annual Hou	urs (from Form	10	-	x Percent of	Actual III	SO =							
WER SHIELD IN S.	707.10.5010.00709100	(0.0.7.4)	6622.3		1	, , , , , , , , , , , , , , , , , , ,	r ioradii O				-		
16. Adjusted for	or Contingencies		0022.3		-	23. Total Veh	icle Cost				+		
(line 15 x 1	.03)					(lines 20	+ 21 + 22	2)					
			6821.0		×						\$105,758.23		
17. Driver's Ra				Hours (16)									
See 10. Al			\$2	99,715.	5.19 25. Tort Claims Cost per mile Miles (Line 3)						\$		
	ry Even If "0")				25. Tort Claims Cost per mile liviles (Line 3)								
Fi	○ ♥ C → HSA C O C O C O C O C O O O O O O O O O O			6,758.8	1							16 625 07	
19. Total Annua	al Driver Cost		- '	0,700.0	26. Total Postal Vehicle Service Operating Costs						φ	16,635.97	
			\$3	06,474.	00	(lines 19 + 23 + 24 + 25)					\$	428,868.20	
						ervice Overt	nead Co	et				,000.20	
27. Manageme	nt Cost per hou	r Hour	s (line 16)						al Vehicle S	Service Costs	T		
			6821.0)	\$1	5,347.27	(lin	es 26 +	27)		\$4	44,215.47	
				-	Con	tract Service	Cost						
29. Annual Con	stract Operation	Cost	Estim	ated Rate			nual Rate	е			-	207 000 50	
23. Airida Goi	tract Operation	COSt	Estim	aleu Nale	():		of HCR				\$.	327,860.53	
			- 56 HH X 2 4 1		Co	ost Comparis							
30. Annual Con	itract Managem	ent Cost					0.00		al Cost of ((lines 29 +				
					\$	999.00	Оре	ranori	(111103 28 7	30)	\$3	28,859.53	
	Re	commendati	on By Ge	neral M	anager /	Postmaster	District	t					
32.	Postal Vehicle	Service			Signature	е					Date		
	Contract												
		F	Recomme	ndation	By Man	ager, Transp	ortatio	n Purc	chasing	DNO			
	Postal Vehicle 8	20 - C - C - C - C - C - C - C - C - C -			Signature				,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		Date		
33.	r ostar vernore v	Jei vide			Signature						Date		
	Contract					-100							
Prepared by: (PRINT NAME)						Rev	iewed by	(PRIN	T NAME)				
Signature	and Date	RANSPO	RTATION	1	MANA(nature and		RANSPOR	TATION CONTRA	CTS				
	- alian artista.					o.gi							
					-								

Manage	ement Costs	ase4	:12-	cv-053	27-Y	GR [Docu mo	1t40-	2 File	ed11/0	02/1 2 F	age9 o	f 19	SECTION OF THE PERSON OF THE P
	istrative Costs			2		ICR		\$			999.00			
Area Choice	e (Top of Shee	et												
Northea	ast					theast								
East						East								
West						Vest			W	/est				
South						outh								
Central				4	Ce	entral								
	cc	ST E	VAL	UATION	I - PO		6. Postal 8 /EHICLE			s. con	TRACT S	ERVICE		
1. Route No.	2. Type of Rou	te		3. An	nual Mile	Out The Line		- 11-33-1	4. Annua		ed Schedule H	ours 5.		
Part B 6. Origin Term	sinue:					130,3				12,0	57.89		Existing Co	ontract
o. Origin Terri		HEIM	P&[)F		1.	Destination To	erminus	VARIC	DUS			Existing P. Proposed	
					8	Numb	er of Vehi	cles N	Jeeded					
Truck, less	300 to 600	600 to	900	Van ove		Tractor	1	01001	100000	7	railers (Length)			
than 300 cu. ft.	cu. ft.	ft.	900 cu.			Feet	Fee	t	Feet	Feet	Feet	Feet	Ş	
	Craft of Postal employee: X MVS Operator Carrie				Ott	nor.	10. Usual le		employee as Operator L			10.00		
1.7 1	o operator	Joa	11101		Ou	161	IVIOLOI	VETTICLE	Operator L	VL-07		43.36		
		Driver	Cost	2						V	ehicle Cos			
11. Weekday I	Hours (from For					T	20. Veh. Ty	pe	Cost per				cle Operating C	Cost
7.					251.46		VAN	t-oc.	C. C	480	130,380	1 12		962.81
?. Saturday H	lours (from Forn	n 4533)			51.61		21. Veh. Ov		1	Hour .000	6) Depr	reciation Cost	002.01	
13. Sunday Ho	ours (from Form	4533)	111111111111111111111111111111111111111		51.61		22. Trailer (PAC		12,419			
14. Holiday Ho	ours (from Form	4533)					Number		x Annua	al Cost =	\$1,149.	00		
15. Annual Hor	urs (from Form 4	1533)			10		x Percent	of Actua	al Use =					
18. Adjusted to	or Contingencies			12057.9		-	00 T-1-111							
(line 15 x 1							23. Total Ve	0 + 21 +						
17. Driver's Ra	ite			12419.6	12200-224	-	04 T-11 F	- / 5	h Chri	-11			\$192,962.8	81
See 10. Al	bove			\$5	Hours (16) 38,515.	-	24. Toll Fee	s (Attac	n Statemer	nt)		\$		-
18. Premium P (Requires Ent	ay Cost ry Even If "0")						25. Tort Cla	ims Cos	st per mile	Mile	s (Line 3)			
				\$	11,654.3	38		ong stances					\$26,076.0)6
19. Total Annual Driver Cost				\$5	50,169.	39	26. Total Po (lines 1		hicle Servic - 24 + 25)	e Operati	ng Costs	\$	769,	208.26
						D 1 -		E 16						
27 Managama	ent Cost ner harr		Lie	s (line 16)		Postal S	Service Ove	\neg		174-17				
27. Management Cost per hour Hou				12419.	6	\$2	7,944.16	1000000	(lines 26 +		Service Costs		\$797,152.	42
				C	tract Comi	0.0								
29. Annual Contract Operation Cost				Estima	ated Rate		tract Servic	of HC	tate				\$578,252.4	15
				C	ost Compar	ison								
30, Annual Cor	ntract Manageme	ent Cost						31.7	Fotal Annua	al Cost of	Contract			

Document40-2 Filed11/02/12 Page10 of 19 \$999.00 \$579 Recommendation By General Manager / Postmaster District Postal Vehicle Service Signature 32. Contract Recommendation By Manager, Transportation Purchasing, DNO Postal Vehicle Service Date 33. Contract Prepared by: (PRINT NAME) Reviewed by: (PRINT NAME) CONTRACT TRANSPORTATION SPECIALIST MANAGER, TRANSPORTATION CONTRACTS 34. Signature and Date Signature and Date PS Form 5505 (March, 1992) (facsimile) - last update 3/20/07 Input data from HQ's Quarterly Cost Data into the yellow boxes below. Box 17 \$38.29 City Carrier City Carrier LVL-07 Motor Vehicle Operator Motor Vehicle Operator LVL-07 \$43.36 \$43.94 Tractor Trailer Operator Tractor Trailer Opertor LVL-08 Box 20 \$1.35 Intermediate INT Cargo Van VAN \$1.48 Tractor (SA) \$1.23 SAT \$3.73 Spotter (SP) SP Tractor (TA) \$1.41 TT Box 21 Intermediate INT \$8.79 Cargo Van \$0.00 VAN Tractor (SA) \$12.78 SAT Spotter (SP) SP \$9.42 Tractor (TA) \$14.17 TT Box 22 Trailer Cost \$1,288.00 NY Metro NY Metro NE \$2,097.00 EA EA \$1,634.00 \$1,098.00 CapMet CapMet West \$1,125.00 West \$1,149.00 PAC PAC SW SW \$2,293.00

Case4:12-cv-05327-YGR

Case4:12-cv-05327-YGR Document40-2 Filed11/02/12 Page11 of 19 U.S. Postal Service

COST EVALUATION - POSTAL VEHICLE SERVICE VS. CONTRACT SERVICE

1. Route	€ No.	2. Type of Rout	e	3. An	nual Mile	s			4. Annual	Estimate	ed Sch	edule Hours	5.		
Par			PVS			359,6	610.6			22,	715.6	3		Exis	sting Contract
6. Origin	Term	inus:			19.0	7.	Destination Term	ninus:					1 1	Exis	sting P.V.S.
		SANT	A ANA P8	DC					VARIC	US				Pro	posed Service
					0	Niversia					_				
Truck,	less	300 to 600	600 to 900	Van ove		Tractor	er of Vehicle	es Ne	eeded		Trailers	(Length)		-	
than 300	cu. ft.	cu. ft.	cu. ft.	900 cu.	2.0	12.500,000,000	Feet	Feet		Feet	Trancis	Feet	Feet		Feet
						10	128'	6	45'						
9. Craft	of Pos	tal employee:					10. Usual leve			ssigned:			_		1
×	MVS	Operator	Carrier		Oth	er	Tractor T	railer (Opertor L\	/L-08		43.9	14		
			Driver Cos	1						1	/ehicl	e Cost			
11. Wee	kday F	Hours (from Form	THE SELECTION OF THE PROPERTY OF			T	20. Veh. Type		Cost per r			(line 3)	Vehic	le Opera	ating Cost
					251.46		SAT		\$1	230		359,610.6	\$	11,	442,320.99
12. Satu	rday H	lours (from Form	4533)				21. Veh. Owne	ership	100000	BOTHER D		s (line 16)	0.00	eciation (
					51.61		SAT		\$0.	000		23,397.1	\$		200.200 (1 <u>2</u> 0
13. Sund	day Ho	urs (from Form 4	1533)				22. Trailer Cos	st	PAC			20,007.1	+		
					51.61		3								
14. Holid	lay Ho	urs (from Form 4	1533)				Number	7	х Аппиа	1,149.00	- \$		0.040.00		
					10							• •		8,043.00	
15. Annu	ial Hou	urs (from Form 4	533)		10	x Percent of Actual Use =									
				22715.6									1		
		r Contingencies					23. Total Vehic	cle Cos	st				-		
(line	15 x 1.	.03)					(lines 20 +	21 + 2	22)						
				23397.1										\$450,	363.99
17. Drive					Hours (16)]	24. Toll Fees (Attach	Statemer	nt)					
See 1				\$1,	028,068								\$		2
18. Prem		ay Cost ry Even If "0")					25. Tort Claims	s Cost	per mile	Mile	es (Line	3)			
i eneme		, ,												7247601 69	
19. Total	Annua	al Driver Cost		\$4	19,524.5	4.59 26. Total Postal Vehicle Service Operating Costs						-	\$71,9	22.11	
				61	77 502	(lines 19 + 23 + 24 + 25)					313				
	_			Φ1,	077,593								\$	1,	599,879.22
27. Mana	geme	nt Cost per hour	THou	s (line 16)		Postal S	Service Overh	ead C	ost otal Posta	Vahiolo	Conside	Casta			
	3	0001 por 11001	1,100,	200				93	ines 26 +		Service	COSIS			
	_			23397.	1	\$5	52,643.47	,,,,,		201	_		\$1	,652,	522.69
						Cor	ntract Service								
29. Annu	al Con	tract Operation (Cost	Estima	ated Rate		1,000,000	nual Ra of HCR					9	1.208	,194.01
														0.000.000.000	///
30 Appu	al Con	tract Manageme	nt Cost			С	ost Compariso	-	4-1 A	10-1-7					
oo. Amina	ai con	tract Manageme	iii oosi						otal Annua peration (I			ct			
						-	\$999.00		110000000000000000000000000000000000000				\$1	,209,	193.01
		Rec	ommendati	on By Ge	neral M	anager	/ Postmaster I	Distri	ct						
		Postal Vehicle S	ervice			Signatur	re						Date		
32.															
		Contract													
			F	Recomme	ndation	By Mai	nager, Transpo	ortatio	on Purc	hasing	DNO				
		Postal Vehicle S				Signatur					2,10				
33.	Ш,	osial vertice of	CIVICE			olynatui	e						Date		
Contract															
Prepared by: (PRINT NAME) CONTRACT TRANSPORT					RTATIO			y: (PRINT			ON CONTRAC	TC.			
Signature and Date						AIIOI	The second second		nd Date	MINOPUL	KIA11	JN CONTRAC	113		
(
DC F-	n FFO	E/March 100	12) /5	-\ \ \ - \		10010=		0.11.01		=		MI - 1317			

PS Form 5505 (March, 1992) (facsimile) - last update 3/20/07

Management Costs	e4:12-c	0 <mark>√-0</mark> 532	27-Y	GR E	ocument40)-2 File	ed11/0	02/12 Pag	e12 of	19
(Administrative Costs)				HCR	\$		SIME	999.00		
		2								
Acon Chaire (Tax as Charl										
Area Choice (Top of Sheet										
Northeast			No	rtheast						
East				East	化原放弹 					
West		A STATE OF		Vest	经营销和旅游	V	Vest			
South		Mr. A	S	outh						
Central			c	entral						
The state of the s		4								
000	T []/AI	LIATION			S. Postal Ser					- A-11-114-1-1-24-1-11
COS	I EVAL	UATION	I - PO	STAL	VEHICLE SEI	RVICE V	S. CON	ITRACT SER	VICE	
1. Route No. 2. Type of Route		3. An	nual Mile	es		4. Annua	al Estimat	ed Schedule Hours	5.	
Part B PV	S			295,5	501.9	11 14 15 15		986.62	Г	Existing Contract
6. Origin Terminus:				7.	Destination Termin	us:			-1 F	Existing P.V.S.
SANTA	ANA P8	kDC				VARIO	ous			Proposed Service
			0	N Is come to		N .				
Truck, less 300 to 600	500 to 900	Van ove		Tractor	er of Vehicles	Needed				
than 300 cu. ft. cu. ft.	cu. ft.	900 cu.	-	Hactor	Feet F	eet	Trailers (Length)	F	le i	
	5E.811	16				COL	Feet	Feet		
Craft of Postal employee:					10. Usual level of	f employee a	assigned:			
X MVS Operator	Carrier		Ot	ner		le Operator I		43	3.36	
	iver Cos	t		_				/ehicle Cost		
11. Weekday Hours (from Form 45	33)	251.46			20. Veh. Type	Cost per		Miles (line 3)		Operating Cost
Saturday Hours (from Form 45	221		251,46	-	VAN		1.480	295,501.9	\$	437,342.84
Gatarday Flours (Holli Folli) 40	55)		51.61		21. Veh. Owners VAN	Will see	.000	Hours (line 16)	100000000000000000000000000000000000000	ciation Cost
13. Sunday Hours (from Form 453)	3)		01.01	+	22. Trailer Cost	PAC		23,676.2	\$	
	of .		51.61		Tanor oost	21.572				
14. Holiday Hours (from Form 4533	3)				Number	x Annu	al Cost =	\$1,149.00		
			10					-		
15. Annual Hours (from Form 4533	()				x Percent of Ac	tual Use =	2,			
		22986.6								
16. Adjusted for Contingencies					23. Total Vehicle	Cost				
(line 15 x 1.03)					(lines 20 + 2	1 + 22)				
17. Driver's Rate		23676.2		-		N 10 SWA		Inchia Inchia		6437,342.84
See 10. Above		¢1	Hours (16)		24. Toll Fees (At	tach Stateme	ent)			
18. Premium Pay Cost		Φ1,	020,000	7.04	25, Tort Claims (Cont was salls	Tyan.		\$	
(Requires Entry Even If "0")					25, Tort Claims C	ost per mile	IVIIIE	es (Line 3)		
		\$2	29,524.	59			- 1			\$59,100.38
19, Total Annual Driver Cost					26. Total Postal	/ehicle Servi	ce Operat	ing Costs	_	φ39,100.30
		\$1,0	056,125	.43	(lines 19 + 2				\$	1,552,568.65
										1,500,000.00
				Postal S	Service Overhea	d Cost				
27. Management Cost per hour	Hour	s (line 16)		190				Service Costs		
	23676.	2	\$5	3,271.49	(lines 26 +	\$1,	605,840.15			
				Cor	tract Service Co	ost				
9. Annual Contract Operation Cos	Estima	ated Rate		Annua	n Rate	\$1	1,161,043.34			
	CIVIII I			Brown	I Of I	icr			7	,,5.10.04
				С	ost Comparisor	Ĺ				
30. Annual Contract Management (Cost				31	. Total Annu	al Cost of	Contract		
									8	

Document40-2 Filed11/02/12 Page13 of 19 \$999.00 \$1.162.042.34 Case4:12-cv-05327-YGR Recommendation By General Manager / Postmaster District Postal Vehicle Service Signature 32. Contract Recommendation By Manager, Transportation Purchasing, DNO Postal Vehicle Service Signature Date 33. Contract Prepared by: (PRINT NAME) Reviewed by: (PRINT NAME) CONTRACT TRANSPORTATION SPECIALIST MANAGER, TRANSPORTATION CONTRACTS 34. Signature and Date Signature and Date PS Form 5505 (March, 1992) (facsimile) - last update 3/20/07 Input data from HQ's Quarterly Cost Data into the yellow boxes below. Box 17 \$38.29 City Carrier City Carrier LVL-07 Motor Vehicle Operator Motor Vehicle Operator LVL-07 \$43.36 Tractor Trailer Operator Tractor Trailer Opertor LVL-08 \$43.94 Box 20 Intermediate INT \$1.35 Cargo Van VAN \$1.48 Tractor (SA) \$1.23 SAT Spotter (SP) \$3.73 SP Tractor (TA) \$1.41 H Box 21 Intermediate INT \$8.79 \$0.00 Cargo Van VAN \$12.78 Tractor (SA) SAT Spotter (SP) SP \$9.42 Tractor (TA) \$14.17 TI Box 22 Trailer Cost NY Metro \$1,288.00 NY Metro NE \$2,097.00 \$1,634.00 EA EA \$1,098.00 CapMet CapMet \$1,125.00 West West \$1,149.00 PAC PAC

SW

\$2,393.00

SW

Case4:12-cv-05327-YGR Document40-2 Filed11/02/12 Page14 of 19

COST EVALUATION - POSTAL VEHICLE SERVICE VS. CONTRACT SERVICE

1. Route No.	2. Type of Rou	te	3. An	nual Mile	S			4. Annual I	Estimated	Schedule Hours	5.	_	
Part A		PVS			16,8	01.5		67,206.00				Existing Contract	zt
6. Origin Term	ninus:				7.	Destination Tern	ninus:				1	Existing P.V.S.	
	LOSA	NGELES I	NDC					VARIO	19		1	Proposed Service	oe o
	2007	OLLEO!	100						00			i repeated on the	*
Truck, less	300 to 600	600 to 900	Van ove		Numb	er of Vehicle	es Ne	eeded					
than 300 cu. ft.	cu. ft.	cu. ft.	900 cu.	(20)	ractor	Feet	Feet		Tra	illers (Length)	Feet	Feet	
	Vince Law				13	U 100 ;		1		1		1 001	
9. Craft of Pos	tal employee:	L			13	10. Usual leve	of em	nlovee ass	ianed:		1		
	S Operator	Carrier		Oth	er			Opertor LVI		43.9	M		
100 0000	- operator					1100011	ranor	Sperior Evi	00	45.8	174		
11 Maskday	House House Foo	Driver Cos	t		_				100000	hicle Cost			
iii. vveekday i	Hours (from For	n 4533)				20. Veh. Type	1	Cost per m	ile	Miles (line 3)	Vehicle	e Operating Cost	
10.01				251.46		SP		\$3.7		16,801.5	\$	62,669	.60
12. Saturday F	lours (from Forn	n 4533)				21. Veh. Owne	ership (Cost Per H	our	Hours (line 16)	Deprec	ciation Cost	
		72.000		51.61		SP		\$0.0	00	69,222.2	\$	je	
13. Sunday Ho	ours (from Form	4533)				22. Trailer Cos	st	PAC					
				51.61									
14. Holiday Ho	urs (from Form	4533)				Number		x Annual	Cost =	\$1,149.00			
				10									
15. Annual Ho	urs (from Form	4533)			x Percent of Actual Use =								
			67206.0										
	or Contingencies					23. Total Vehic	cle Cos	st			_		
(line 15 x 1	.03)				(lines 20 + 21 + 22)								
			69222.2								\$62,669.60		
17. Driver's Ra	te			Hours (16)		24. Toll Fees (Attach	Statement)				
See 10. A			\$3,	041,622	.59						\$	8*	-
18. Premium P						25. Tort Claim	s Cost	per mile	Miles	(Line 3)			
equires Ent	ry Even If "0")												
10 T-1-1 A	101 0 1		\$6	51,462.9	14							\$3,360.30	
19. Total Annu	ai Driver Cost				26. Total Postal Vehicle Service Operating Costs (lines 19 + 23 + 24 + 25)								
			\$3,	103,085	.53	(intes 19 t	20 T 2	24 + 25)		A Signature Company of the Company o	\$	3,169,115	.42
					Postal S	Service Overh	ead C	ost					
27. Manageme	nt Cost per hou	Hour	rs (line 16)				28. To	otal Postal		ervice Costs			
			69222.	2	\$1	55,749.91	()i	ines 26 + 2	7)		\$3.	324,865.33	3
					Cor	ntract Service	Cost						
	W MARK TER	97.0					nual Ra	ate	*****	-12-			-
29. Annual Cor	ntract Operation	Cost	Estima	ated Rate		25,0000	f HCR				\$2	2,400,293.65	
					-	ost Comparis	on						=
30. Annual Cor	ntract Manageme	ent Cost				ost compans		otal Annual	Cost of C	ontract			_
						\$999.00	Op	peration (lin	nes 29 + 3	0)	62	401,292.65	
											φZ,	401,292.00	
	Re	commendati	on By Ge	neral M	anager	/ Postmaster	Distri	ct					
	Postal Vehicle S	Service		Signatur	re					Date			
32,													
	Contract												
		F	ndation	By Mar	nager, Transp	ortatio	on Purch	asing [NO.			=	
	Bestern/Control				Signatur		01100	0111 0101	donig, L	,,,,	Visa on		-
33.	Postal Vehicle Service					re .					Date		
	Contract												
Prepared by: (PRINT NAME)					-			y: (PRINT			0.00	1	
4 Signature	CONTRACT TRANSPO 4. Signature and Date								ANSPORT	TATION CONTRAC	CTS		
+. Signature	and Date			Signi	ature a	ind Date							

Case4:12-cv-05327-YGR Document40-2 Filed11/02/12 Page15 of 19 U.S. Postal Service

COST EVALUATION - POSTAL VEHICLE SERVICE VS. CONTRACT SERVICE

1. Route No.	2. Type of Rout	е	3. An	nual Mile	s			4. Annua	I Estimated	Sch	edule Hours	5.			
Part A		PVS			1,182	,968.3			182,8	61.	19		Exi	sting Contract	
6. Origin Terr	ninus:				7.	Destination Term	ninus:					1	Exi	sting P.V.S.	
74-11-11-11-11-11-11-11-11-11-11-11-11-11	LOS A	NGELES	PDC					VARIO	DUS					posed Service	
				8.	Numb	er of Vehicle	es Ne	eeded							
Truck, less	300 to 600	600 to 900	Van ov	er	Tractor		-	00000	Tr	ailers	(Length)	-			
than 300 cu. ft	ou.ft.	cu. ft.	900 cu,	ft.		Feet	Feet		Feet		Feet	Feet		Feet	
0.00(0	1, 1				44	728'		538'	443	9'	10-45'				
	stal employee:			П.		10. Usual leve		2 3000							
X MV	S Operator	Carrier		Ott	ner	Tractor T	railer (Opertor L'	VL-08	10000	43.9	4			
4.4.10/	11- # =	Driver Cos	t							_	e Cost				
11. vveekday	Hours (from Forn	1 4533)				20, Veh. Type		Cost per	mile	Mile	s (line 3)	Vehic	de Opera	ating Cost	
12 Caturday I	Harris Maria Fari	4500		251,46	-	SAT			.230	_	,182,968.3	\$	1,	,455,051.00	
12, Saturday I	Hours (from Form	4533)				21. Veh. Owne	ership (Cost Per	Hour	Hou	s (line 16)	Depre	eciation	Cost	
12 Cundou H	ours (from Form 4	(500)		51.61	-	SAT			.000		188,347.0	\$		121	
15. Sunday Fi	ours (from Form 2	1533)		7		22. Trailer Cos	it	PAC							
4.4. Delider U		500)		51.61	-	4									
14. Holiday Ho	ours (from Form 4	533)				Number 1	06	x Annua	al Cost =		1,149.00	\$		487,176.00	
15 Appual Ua	ours (from Form 4	F00\		10										3	
15. Annual no	iurs (from Form 4	533)				x Percent of A	Actual	Use =		-		-			
1C Adjusted 6	or Contingencies		182861.2									Sheet Co.			
(line 15 x 1	Particular de la company de la					23. Total Vehic (lines 20 +									
	POR		(11103 20)	2112	<i>LL</i>)					SERVICE REPORTER					
17. Driver's Ra	ate	-	24. Toll Fees (Attach	Stateme	nt)	_		-	\$1,942	,227.00				
See 10. A	hove		60	Hours (16)	_	2 10 1000 (Ototomo	ity						
18. Premium F			φο,	275,968	.31	25. Tort Claims	Cost	per mile	Miles	/1 in/	3)	\$			
equires Ent	try Even If "0")					10000 100000000000000000000000000000000		man time		(4111	,				
Ĭ												-	\$236	593.66	
19. Total Annu	al Driver Cost					26. Total Posta			e Operatin	g Co	sts		4200,	000.00	
			\$8,	275,968	.31	(lines 19 +	23 + 2	24 + 25)				\$	10,	454,788.96	
					Postal S	Service Overhead Cost									
27. Manageme	ent Cost per hour	Hour	s (line 16)			28. Total Postal Vehicle Service Costs									
			188347	.0	\$4	\$423,780.81 (lines 26 + 27)							\$10,878,569.77		
					Con	Contract Service Cost							1 7. 0,0. 0,000		
20 Annual Co.	ntract Operation (`ont	Cotion	stad Date		Annual Rate						07.054.000.50			
25, Airida Go	nuaci Operation (7051	Esum	ated Rate	5 	of HCR							\$7,851,999.70		
					С	Cost Comparison									
30. Annual Cor	ntract Manageme	nt Cost	31-31-31				31. To		al Cost of C		ict				
					5	\$999.00 Operation (lines 29 + 30)							\$7,852,998.70		
	Rec	ommendati	on By Ge	neral M	anager	/ Postmaster [Distric	ct							
	Postal Vehicle S				Signatur							Dete		-1125	
32.					O.g.ilatai	ature						Date		12	
	Contract														
		F	By Mar	nager, Transpo	ortatio	on Purc	hasing [ONO							
	Postal Vehicle Se				-800 To				iluoing, i						
33.	I ostal verilde of	SIVICE			Signatur	е						Date			
	Contract														
Dronnerd		-v				1-									
rrepared	by: (PRINT NAME	V02620	NTRACT TI	RANSPO	RTATION				T NAME)	ΓΔΤΙ	ON CONTRAC	TS			
Signature	and Date							nd Date	J II OI OI	C C C C	ZIT GONTRAC	10			

	C	ase4:12	2-q v-0 532	27-Y	GR [ocum <mark>e</mark>	1t40-	2 File	ed11/	02/12	age16 c	f 19
	ement Costs istrative Cost	e1			HCR		\$		185	999.00		
Viditio	istrative oosi		2				Ψ		TO SEX	333.00		
Area Choice	e (Top of She	et										
						S. 40 Mg						
Northea	ast		BUSINESS OF STREET	No	rtheast							
East					East							
West				1	Vest			N	/est			
South				3	South							
Central				C	entral							
			4									
						6. Postal		107.4				
	C	OST EVA	LUATION	- PO	STAL	VEHICLE	SERV	ICE VS	S. COI	NTRACT S	ERVICE	
1. Route No.	2. Type of Ro		3. An	nual Mile				4. Annua		ed Schedule H	ours 5.	
Part B 6. Origin Term		PVS			967,8				149	,613.72		Existing Contract
is, Origin Term		ANOFIE	2 000		1.	Destination T	eminus					Existing P.V.S.
	LUS	ANGELES	SPDC			-		VARIO	JUS			Proposed Service
				0	Mussah	er of Vehi	oloo N	laadad				
Truck, less	300 to 600	600 to 900				er or veni	icies i	veeded				
		00000000	1 1 1 1 1 1 1 1 1 1		Tractor		T _e		Te	Trailers (Length		
than 300 cu. ft.	cu. ft.	cu. ft.	900 cu. 1	L.		Feet	Feet		Feet	Feet	Feet	Feet
9 Craft of Pos	stal employee:		00		FERRE	10. Usual I	aval of a	mnlovee a	esianod:	Marie Marie		
	S Operator	Carrier	e 11	Tot	her	The second second		Operator L			43.36	
					7.7.77	1,500,000						
		Driver Co	ost			T				Vehicle Cos	t	
11. Weekday	Hours (from Fo	rm 4533)				20. Veh. T	уре	Cost per		Miles (line 3		le Operating Cost
		CNG III C V.PHIC SINGEN		251.46	3	VA			.480	967,88		1,432,467.27
. Saturday I	Hours (from For	m 4533)				21. Veh. O	wnership	Cost Per	Hour	Hours (line		eciation Cost
				51.61		VA		1	.000	154,10	2.1 \$	200 March (2008)
13. Sunday Ho	ours (from Form	1 4533)				22. Trailer	Cost	PAC				
				51.61								
14. Holiday Ho	ours (from Form	1 4533)				Number		x Annu	al Cost =	\$1,149	00	
				10								
15, Annual Ho	ours (from Form	4533)				x Percent	of Actua	Il Use =				
174 (177) 11 174			149613.7		4							
	or Contingencie	es				23. Total V						
(line 15 x 1	1.03)					(lines 2	20 + 21 +	+ 22)				
47 D.L D.			154102.1	20 00 00								\$1,432,467.27
17. Driver's Ra See 10. A			86	Hours (16		24. Toll Fe	es (Attac	n Stateme	nt)			
18. Premium F			\$0,	681,86	0.43	25. Tort Cla	nime Cou	at mor mile	T _A	es (Line 3)	\$	
	try Even If "0")	ř				20. TOIL OR	anns Gos	st per mile	IVII	es (Line 3)		
(riodanos Em	u) = (011 11 0)					4						\$193,576.66
19. Total Annu	ual Driver Cost		+	10000		26. Total P	ostal Vel	hicle Servi	ce Opera	ting Costs		ψ195,570.00
			\$6.0	681,86	8.43			24 + 25)	oc opeic	ung costs	\$	8,307,912.36
			70,1	001,00	0.10						ΙΨ	0,007,012.00
					Postal :	Service Ove	erhead	Cost				
27. Manageme	ent Cost per ho	ur H	ours (line 16)		T		28.	Total Posta	al Vehicle	Service Cost		11-2-12
			154102	.1	\$3	46,729.80		(lines 26 +	- 27)		\$8	3,654,642.15
					Cor	ntract Servi						
29. Annual Co	ntract Operatio	n Cost	Estima	ated Rai	te		Annuar 1					\$6,127,035.36
A												<u></u>
					C	ost Compa	rison					
30. Annual Co	ntract Manager	nent Cost			1		31.	Total Annu	al Cost o	f Contract		

Document40-2 Filed11/02/12 Page17 of 19 \$6.128.034.36 Case4:12-cv-05327-YGR Recommendation By General Manager / Postmaster District Postal Vehicle Service Signature Date 32. Contract Recommendation By Manager, Transportation Purchasing, DNO Postal Vehicle Service Signature Date 33. Contract Prepared by: (PRINT NAME) Reviewed by: (PRINT NAME) CONTRACT TRANSPORTATION SPECIALIST MANAGER, TRANSPORTATION CONTRACTS 34. Signature and Date Signature and Date PS Form 5505 (March, 1992) (facsimile) - last update 3/20/07 Input data from HQ's Quarterly Cost Data into the yellow boxes below. Box 17 \$38.29 City Carrier City Carrier LVL-07 Motor Vehicle Operator Motor Vehicle Operator LVL-07 \$43.36 Tractor Trailer Operator Tractor Trailer Opertor LVL-08 \$43.94 Box 20 Intermediate INT \$1.35 Cargo Van VAN \$1.48 Tractor (SA) \$1.23 SAT Spotter (SP) \$3.73 SP Tractor (TA) \$1.41 TT Box 21 Intermediate INT \$8.79 \$0.00 Cargo Van VAN Tractor (SA) \$12.78 SAT Spotter (SP) \$9.42 SP \$14.17 Tractor (TA) TT Box 22 Trailer Cost NY Metro NY Metro \$1,288.00 \$2,097.00 NE NE EA EA \$1,634.00 \$1,098.00 CapMet CapMet West \$1,125.00 West PAC \$1,149.00 PAC

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\$2,393.00

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Case4:12-cv-05327-YGR Document40-2 Filed11/02/12 Page18 of 19

COST EVALUATION - POSTAL VEHICLE SERVICE VS. CONTRACT SERVICE

1. Route No.	2. Type of Rou	ite	3. An	nual Mile	3			4. Annua	l Estimated	Sche	dule Hours	5.			
Part A		PVS			1,228,	550.7			60,08	84.7	8		Exis	ting Contract	
6. Origin Term	inus:					Destination Ten	ninus:					1 1	Exist	ting P.V.S.	
	MARGA	ARET SELI	ERS					VARIO	DUS				Prop	osed Service	
				8.	Numb	er of Vehicl	es N	eeded							
Truck, less	300 to 600	600 to 900	Van ove	300	Tractor		7=				Length)	To			
than 300 cu. ft.	cu. ft.	cu. ft.	900 cu.	rt.		Feet	Feet		Feet	- 1	Feet	Feet		Feet	
O Cook of Door					28	728'		338'	439	9'	4045'	2.	48'	253'	
9. Craft of Post	NAME OF TAXABLE PARTY.					10. Usual levi					40.0	:w)			
X MVS	Operator	Carrier Driver Cost		Oth	er	Tractor	raller	Opertor L'		- 1-1-1-	43.9 Cost	14			
11. Weekday h	Hours (from For					20. Veh. Type	. 1	Cost per			(line 3)	Vehic	le Onera	ting Cost	
Tri Tri Sullady I	rooro (rronn r or			054.40		5570		- 1 1. · · · · · · · · · · · · · · · · · ·	-22	W-150	NIME IN	Procession and		3745 34450	
12. Saturday H	lours (from Forr	n 4533)		251.46	-	SAT 21. Veh. Own	ership		.230 Hour		228,550.7 (line 16)	\$ Denre	ciation C	511,117.35	
		M. M. T. S. T. M.		E4 C4		ESSELS			35.4.5909043.4	7.00-0-4.17	0.00.000.00	6.43	residues i C	7031	
13. Sunday Ho	urs (from Form	4533)	_	51.61		SAT 22. Trailer Co	st	PAC	.000	_	61,887.3	\$			
	**************************************	1		51.61											
14. Holiday Ho	urs (from Form	4533)		31.01	 	Number	68	y Annu	al Cost =	\$	1,149.00				
1. Tronday 110	and thom form	,,,,,,		1000 A 111		Trumber —	-	A Millius	ai oust =	φ	1,140.00	\$		312,528.00	
15. Annual Hou	ire (from Form	4533\		10		x Percent of	Antual	Hee =							
10. Allindai Hot	as (nom rom	4555)	54-100-00			x reident of	Actual	Use -	-			1			
16. Adjusted fo	r Contingencies	e	60084.8			23. Total Veh	icle Co	et				-			
(line 15 x 1		3				(lines 20									
20	61887.3							-3%					11 000	,645.35	
17. Driver's Ra	7. Driver's Rate 61887.3 Hours (16)						(Attach	Stateme	ent)			,	1,023	,040.30	
See 10. Al	hove		\$2	719,328	90							\$			
18. Premium P			Ψ2,	7 13,020	.55	25. Tort Clain	is Cost	per mile	Miles	s (Line	3)	Ψ	-		
equires Ent	ry Even If "0")							7//			5)				
I													\$245.7	710.14	
19. Total Annua	al Driver Cost					26. Total Postal Vehicle Service Operating Costs						18			
			\$2,	719,328	.99	(lines 19 + 23 + 24 + 25)						\$ 4,788,684.48			
					Postal S	al Service Overhead Cost									
27. Manageme	nt Cost per hou	ir Hou	rs (line 16)			28. Total Postal Vehicle Service Costs									
			61887.	3	\$1	\$139,246.48 (lines 26 + 27)						\$4,927,930.95			
												\$4,927,930.93			
50 K V.					COI	Contract Service Cost Annual Rate									
29. Annual Cor	tract Operation	Cost	Estim	ated Rate	É	Annual Rate of HCR						\$3,414,061.39			
					-	Cost Comparison									
30. Annual Cor	tract Managem	ent Cost				oot oompan		otal Annu	al Cost of (Contra	ct				
						മേരു വ	0	peration ((lines 29 +	30)		\$3 415 060 30			
	Re	commendati	on By Ge	neral M		\$999.00 sager / Postmaster District							\$3,415,060.39		
			D, Oc	W	1777		Disti			7.1					
32.	Postal Vehicle	Service			Signatu	re						Date			
	Contract														
		F	Recomme	ndation	Ву Ма	nager, Transp	ortat	ion Pur	chasing,	DNO					
	Postal Vehicle	Service			Signatu	re						Date			
33.															
	Contract														
Prepared	by: (PRINT NAI	ME)			_	Per	riewed	by (PRIN	IT NAME)						
		000000	NTRACT T	RANSPO	RTATIO	N SPECIALIST				RTATIO	ON CONTRAC	CTS			
'. Signature	and Date					Sign	nature	and Date							
ŕ															
						the state of the s		110-110-110-1		William .					

Document40-2 Filed11/02/12 Page19 of 19 \$1,014,784.00 Case4:12-cv-05327-YGR Recommendation By General Manager / Postmaster District Postal Vehicle Service Signature Date 32. Contract Recommendation By Manager, Transportation Purchasing, DNO Postal Vehicle Service Date 33. Contract Prepared by: (PRINT NAME) Reviewed by: (PRINT NAME) CONTRACT TRANSPORTATION SPECIALIST MANAGER, TRANSPORTATION CONTRACTS 34. Signature and Date Signature and Date PS Form 5505 (March, 1992) (facsimile) - last update 3/20/07 Input data from HQ's Quarterly Cost Data into the yellow boxes below. Box 17 \$38.29 City Carrier City Carrier LVL-07 Motor Vehicle Operator Motor Vehicle Operator LVL-07 \$43.36 \$43.36 Tractor Trailer Operator Tractor Trailer Opertor LVL-08 Box 20 Intermediate INT \$1.35 Cargo Van \$1.48 VAN \$1.23 Tractor (SA) SAT \$3.73 Spotter (SP) SP \$1.41 Tractor (TA) II Box 21 \$0.00 Intermediate INT Cargo Van VAN \$0.00 Tractor (SA) SAT \$0.00 \$0.00 Spotter (SP) SP Tractor (TA) TT \$0.00 Box 22 Trailer Cost \$1,288.00 NY Metro NY Metro \$2,097.00 NE NE \$1,634.00 EA EA \$1,098.00 CapMet CapMet West \$1,125.00 West \$1,149.00 PAC PAC \$2,393.00

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EXHIBIT C

HCR Cost Estimates

All costs are calculated based upon the following factors to create a standardized price for HCR costs

Operating Cost

Motor Vehicles costs as a cluster average of local contracts x annual miles Operational Cost as a cluster average of local contracts x Annual Miles Vehicle Registration as a general state DMV average x No of vehicles

General Overhead as a cluster average of local contracts. An additional \$0.10 per mile has been added to allow for the additional supplier overhead cost.

Fuel is the DOE Regional PPG average of June 2012. Average MPG used is 6 MPG (TT) and 8 MPG (SB)).

Oil as an average of 300 miles per quart (\$4 per qt)

Insuranace cost as a cluster average of local contracts

Labor Cost

Straight time based upon the WD as of June 2012 x Annual Hours

Payroll taxes based upon the following average factors Soc Sec - Federal factor, WC (0.1200), Fed Ump (0.006) and State Rate

Fringe Benefits based upon WD as of June 2012; 2 week vacation and 10 holidays

Contractor Cost

Contractor Costs calculated at 5% of labor cost to allow for supplier infrastructure such as on-site oversight

*Annual hours and miles based upon estimate provided by PVS Analyst unless otherwise noted.

WD	Veh Type	No Veh	Facility	Miles	Hours	Fuel	Operations	Labor	Cont Oversight	Total w/fuel
1977-0194-57	SB	9	Anaheim, CA P&DF	130,380.30	12,057.90	\$65,630.18	\$159,465.14	\$398,845.05	\$19,942.25	\$578,252.45
1977-0194-57	F	2	Anaheim, CA P&DF	83,179.90	6,622.30	\$55,827.58	\$94,548.36	\$222,202.07	\$11,110.10	\$327,860.53
977-0194-57	Total	8	Anaheim, CA P&DF	213,560.20	18,680.20	\$121,457.76	\$254,013.50	\$621,047.13	\$31,052.36	\$906,112.98
1977-0194-57	SB	10	Industry, CA P&DC	222,678.60	14,830.40	\$112,090.84	\$272,241.70	\$490,747.20	\$24,537.36	\$787,526.26
1977-0194-57	F	2	Industry, CA P&DC	73,168.10	3,075.10	\$49,107.99	\$83,457.08	\$107,307.48	\$5,365.37	\$196,129.93
1977-0194-57	Total	12	Industry, CA P&DC	295,846.70	17,905.50	\$161,198.83	\$355,698.78	\$598,054.68	\$29,902.73	\$983,656.19
1977-0194-57	SB	6	Long Beach, CA P&DC	221,573.10	24,267.30	\$111,534.36	\$270,462.48	\$802,677.68	\$40,133.88	\$1,113,274.04
1977-0194-57	F	2	Long Beach, CA P&DC	118,928.50	6,191.20	\$79,820.84	\$134,151.37	\$207,504.87	\$10,375.24	\$352,031.49
1977-0194-57	Total	11	Long Beach, CA P&DC	340,501.60	30,458.50	\$191,355.20	\$404,613.85	\$1,010,182.55	\$50,509.13	\$1,465,305.53
1977-0194-57	SB	16	Santa Anna , CAP&DC	295,501.90	22,986.60	\$148,748.27	\$362,502.13	\$760,515.44	\$38,025.77	\$1,161,043.34
1977-0194-57	L	6	Santa Anna , CAP&DC	359,610.60	22,715.60	\$241,358.65	\$409,183.81	\$760,962.09	\$38,048.10	\$1,208,194.01
1977-0194-57	Total	25	Santa Anna , CAP&DC	655,112.50	45,702.20	\$390,106.92	\$771,685.94	\$1,521,477.53	\$76,073.88	\$2,369,237.35
1977-0194-57	SB	0	Los Angeles, CA NDC	0.7		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1977-0194-57	Spotters	13	Los Angeles, CA NDC	16,801.50	67,206.00	\$11,276.61	\$35,043.20	\$2,252,619.48	\$112,630.97	\$2,400,293.65
1977-0194-57	Total	13	Los Angeles, CA NDC	16,801.50	67,206.00	\$11,276.61	\$35,043.20	\$2,252,619.48	\$112,630.97	\$2,400,293.65
1977-0194-57	SB	48	Los Angeles, CA P&DC	967,883.30	967,883.30 149,613.72	\$487,208.26	\$931,553.87	\$4,948,077.61	\$247,403.88	\$6,127,035.36
1977-0194-57	F	40	Los Angeles, CA P&DC	1,182,968.30 182,861.19	182,861.19	\$793,968.89	\$1,416,966.41	\$6,128,603.20	\$306,430.16	\$7,851,999.77
1977-0194-57	Total	88	Los Angeles, CA P&DC	2,150,851.60 332,474.91	332,474.91	\$1,281,177.15	\$2,348,520.28	\$11,076,680.81	\$553,834.04	\$13,979,035.13
977-0194-57	SB	30	M Sellers, CA P&DC	781,553.90	44,195.30	\$393,414.69	\$818,499.21	\$1,398,945.39	\$69,947.27	\$2,287,391.87
1977-0194-57	F	25	M Sellers, CA P&DC	1,228,550.70	60,084.80	\$824,562.28	\$1,363,763.78	\$1,952,664.39	\$97,633.22	\$3,414,061.39
977-0194-57	Total	22	M Sellers, CA P&DC	2,010,104.60 104,280.10	104,280.10	\$1,217,976.97	\$2,182,263.00	\$3,351,609.78	\$167,580.49	\$5,701,453.26
1977-0194-57	SB	30	Oakland, CA P&DC	641,025.20	50,792.40	\$322,676.06	\$634,242.09	\$1,690,938.09	\$84,546.90	\$2,409,727.09
1977-0194-57	L	26	Oakland, CA P&DC	1,181,464.30	97,474.30	\$792,959.46	\$1,397,492.58	\$3,297,208.74	\$164,860.44	\$4,859,561.75
1977-0194-57	Total	99	Oakland, CA P&DC	1,822,489.50	148,266.70	\$1,115,635.52	\$2,031,734.67	\$4,988,146.83	\$249,407.34	\$7,269,288.84
1977-0194-57	SB	12	Sacramento, CA P&DC	291,458.90	38,345.37	\$146,713.12	\$287,569.62	\$1,213,745.76	\$60,687.29	\$1,562,002.66
1977-0194-57	F	39	Sacramento, CA P&DC	1,657,801.10 157,648.00	157,648.00	\$1,112,660.84	\$2,074,771.51	\$5,123,291.69	\$256,164.58	\$7,454,227.78
1977-0194-57	Total	51	Sacramento, CA P&DC	1,949,260.00	195,993.37	\$1,259,373.96	\$2,362,341.13	\$6,337,037.45	\$316,851.87	\$9,016,230.45
977-0194-57	SB	9	San Bernardino, CA P&DC	98,686.50	10,777.00	\$49,676.32	\$104,346.93	\$341,331.56	\$17,066.58	\$462,745.07
977-0194-57	F	က	San Bernardino, CA P&DC	189,450.60	20,041.00	\$127,152.93	\$209,275.15	\$651,404.68	\$32,570.23	\$893,250.06
977-0194-57	Total	o	San Bernardino, CA P&DC	288,137.10	30,818.00	\$176,829.24	\$313,622.08	\$992,736.24	\$49,636.81	\$1,355,995.14
1977-0194-57	SB	0	San Francisco, CA NDC			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1977-0194-57	Spotters	80	San Francisco, CA NDC	5,064.90	20,259.60	\$3,399.39	\$15,766.52	\$685,382.80	\$34,269.14	\$735,418.45
1977-0194-57	Total	ω	San Francisco, CA NDC	5,064.90	20,259.60	\$3,399.39	\$15,766.52	\$685,382.80	\$34,269.14	\$735,418.45
1977-0194-57	SB	38	San Francisco, CA P&DC	664,583.40	63,267.00	\$334,534.67	\$563,107.32	\$2,106,188.08	\$105,309.40	\$2,774,604.81
977-0194-57	F	41	San Francisco, CA P&DC	1,941,829.40 138,038.00	138,038.00	\$1,303,291.17	\$2,413,377.29	\$4,669,472.87	\$233,473.64	\$7,316,323.81
1977-0194-57	Total	79	San Francisco, CA P&DC	2,606,412.80	201,305.00	\$1,637,825.83	\$2,976,484.62	\$6,775,660.96	\$338,783.05	\$10,090,928.62
1977-0194-57	SB	13	San Jose, CA P&DC	260,167.00	21,624.00	\$130,961.56	\$257,784.88	\$720,000.12	\$36,000.01	\$1,013,785.00
1977-0194-57	Þ	12	San Jose, CA P&DC	326,003.00	25,031.40	\$218,802.35	\$391,402.91	\$847,015.34	\$42,350.77	\$1,280,769.02
977-0194-57	Total	25	San Jose, CA P&DC	586,170.00	46,655.40	\$349,763.91	\$649,187.79	\$1,567,015.46	\$78,350,77	\$2,294,554.02

EXHIBIT D

5505 COST EVALUATION - CALIFORNIA POSTAL VEHICLE SERVICE VS HIGHWAY CONTRACT SERVICE

5505 COST EVA	LUATION - POST	AL VEHICLE SERV	ICE VS. CONTRACT	SERVICE	26+27			29+30	28-31			
FACILITY	3. Annual Miles	4. Annual Hours	26. PVS Costs	27. Mgmt Cost	28. Total PVS Costs	29. Annual HCR Cost	30. Annual HCR Mgmt Cost	31. Total Annual HCR Cost	Savings=PVS-HCR	PVS/HCR Recom'd	VEHICLES	TRAILERS
ANAHEIM PDF	215,390	25,426	\$1,899,988.57	\$58,924.76	\$1,958,913.32	\$458,780.70	\$999.00	\$459,779.70	\$1,499,133.62	HCR	8	4
INDUSTRY PDC	328,028	21,860	\$1,863,526.16	\$50,660.55	\$1,914,186.71	\$816,789.72	\$999.00	\$817,788.72	\$1,096,397.99	HCR	12	3
LONG BEACH PDC	346,333	39,848	\$3,022,344.05	\$92,347.74	\$3,114,691.79	\$869,295.83	\$999.00	\$870,294.83	\$2,244,396.96	HCR	11	3
LOS ANGELES NDC	0	38,866	\$2,885,256.93	\$90,071.96	\$2,975,328.89	\$1,943,300.00	\$999.00	\$1,944,299.00	\$1,031,029.89	HCR	13	0
LOS ANGELES PDC	2,152,099	332,224	\$24,217,249.71	\$769,929.12	\$24,987,178.83	\$6,606,943.93	\$999.00	\$6,607,942.93	\$18,379,235.90	HCR	94	116
M. SELLERS PDC	2,331,703	191,399	\$15,635,983.58	\$443,567.18	\$16,079,550.76	\$4,360,284.61	\$999.00	\$4,361,283.61	\$11,718,267.15	HCR	53	68
OAKLAND PSF	1,908,278	222,778	\$17,160,470.74	\$516,288.02	\$17,676,758.76	\$4,350,873.84	\$999.00	\$4,351,872.84	\$13,324,885.92	HCR	60	187
SACRAMENTO PDC	2,230,892	193,108	\$15,685,638.81	\$447,527.79	\$16,133,166.60	\$3,837,134.24	\$999.00	\$3,838,133.24	\$12,295,033.36	HCR	52	70
SAN BERNARDINO PDC	216,157	29,573	\$2,214,867.14	\$68,535.43	\$2,283,402.57	\$443,121.85	\$999.00	\$444,120.85	\$1,839,281.72	HCR	14	17
SAN FRANCISCO NDC	0	17,241	\$1,317,588.41	\$39,956.02	\$1,357,544.43	\$862,050.00	\$999.00	\$863,049.00	\$494,495.43	HCR	8	0
SAN FRANCISCO PDC	2,725,484	236,159	\$19,133,458.90	\$547,298.48	\$19,680,757.38	\$5,069,400.24	\$999.00	\$5,070,399.24	\$14,610,358.14	HCR	81	110
SAN JOSE PDC	674,398	78,734	\$5,980,128.44	\$182,466.05	\$6,162,594.49	\$1,389,198.08	\$999.00	\$1,390,197.08	\$4,772,397.41	HCR	25	22
SANTA ANNA PDC	632,782	70,663	\$5,382,174.59	\$163,761.50	\$5,545,936.09	\$1,904,673.82	\$999.00	\$1,905,672.82	\$3,640,263.27	HCR	26	7
13 PVS FACILITIES	13,761,544	1,497,879	\$116,398,676.03	\$3,471,334.60	\$119,870,010.62	\$32,911,846.86	\$12,987.00	\$32,924,833.86	\$86,945,176.76	HCR	457	607

EXHIBIT E

U.S. Po	stal Ser	vice	Postal F	acility			Scl	nedule 1	Type		Tour	Run	No.	Miles	Freq	Tractor	Sched No.
PVS S	CHEDL	ILE	SAN F	RANC	ISCO		D	X -Daily	/ Exc	ception	3	63	7	23.80	0K67		32637
Effecti	ve Date		Discontin	ue	Keys	Other	Unas	signed		Spot	tter		Paic	Time	Sched	ule Hrs.	Lunch
7/31	/2010		12/31/20	11	0		0	00:0	00	0	00:00)	04	l:15	14:45	5-19:00	
Vehicle 1						Vehicle	2						Vehi	cle 3			
487033	38																
TIMES	Route		MES Trip	ANN	~ ·-	ned Miles:	Total H	ours: \	Week	day Hours:	Satur	day Ho	ours:	Sunday Ho	ours: H	oliday Hours	: Night Diff Hours
		l	B637	TOT	ALS												
940	VS				59	984.75	1068	:42	10	68:42	C	00:00		00:00)	00:00	251:28
Comme	nts:	RE	PORT TO	SUP	ERVISO	R, TRAN	SPORT	ATION	OPE	RATION	IS DUF	RING	UNA	SSIGNED	TIME.	UPON AR	RIVAL
		RE	PORT TO) TME	, TAKE I	MAIL AS I	DIRECT	ED, AS	SSIS	T IN LOA	ADING	& UN	ILOA	DING, NC	SMOK	ING WHIL	E LOADING &
		UN	ILOADING	G, KEE	EP DOO	ED, CH	OCK W	VHE	ELS UPC	N ARF	RIVAL	. & R	EPLACE	BEFOR	E DEPART	URE. ****FOR	
EMERGENCY & BREAKDOWNS CAL							ALL (41	5) 550-	5063	3****							
	1	TRIP				ARI	R	DEP	D	OOR							
Stop	IN	(DUT		Servic	e Point		TIM	E	TIME	IN	C	UT		Opera	ting Instru	ctions
1			PV	S - SA	N FRAN	ICISCO		14:4	15	15:00				USE VEH	HICLE 1	OBTAIN I	KEYS, CHECK
		ı										ı		VEHICLE	Ξ.		
2			P&	DC - S	SAN FRA	NCISCO		15:0)1	15:15							
3			NC	RTH E	BEACH S	STATION		15:3	35	15:50				DX-337 k	(67 153	5-1550	
4			CA	STAT	E COM	PENSATION	NC	16:1	10	16:25				DX-337 k	(67 161	0-1625	
5			P&	DC - S	SAN FRA	NCISCO		16:4	15	17:00							
6			BE	RNAL	HEIGH	rs stati	ON	17:2	20	17:35				DX-337 k	(67 172	0-1735	
			EXCELSIOR STATION					47.5	-~	40.05				DV 227 I	·		
7				CELSI	OR STA	TION		17:5	ן טפ	18:05				DX-337 r	(6/ 1/5)	0-1805	
7 8						ANCISCO		17:5		18:05				DX-337 r	(67 175)	0-1805	

EXHIBIT F

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Postal Regulatory Commission Submitted 7/2/2012 10:31:49 AM Filing ID: 83289 Accepted 7/2/2012

BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

Mail Processing Network Rationalization Service Changes, 2011

Docket No. N2012-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO AMERICAN POSTAL WORKERS UNION INTERROGATORIES (APWU/USPS-28, 35 AND 37)

The United States Postal Service hereby files an institutional response to the above-listed interrogatories of the American Postal Workers Union dated April 6, 2012. Each interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Anthony F. Alverno, Jr. Chief Counsel, Global Business and Service Development

Michael T. Tidwell

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 (202) 268-2998; Fax -5402 July 2, 2012

INSTITUTIONAL RESPONSE OF THE UNITED STATES POSTAL SERVICE TO AMERICAN POSTAL WORKERS UNION INTERROGATORY

APWU/USPS-35

- a. For the most recent period available, provide the underlying components of the data from the Vehicle Maintenance Accounting System that are used to produce the per mile and per hour rates used by the Postal Service to calculate the cost of PVS operations. For example, please show fuel costs, maintenance costs, parts costs, depreciation, hours and miles separately for each of the types of equipment in the following list:
 - i. single axle tractors
 - ii. dual axle tractors
 - iii. trailers
 - iv. 11 ton straight trucks
 - v. 9 ton straight trucks
 - vi. 7 ton straight trucks
 - vii. 2 ton vans
 - viii. 2.1/2 ton vans.
- b) Please describe what labor costs would be included in these calculations. If there are LDC 30 and LDC 31 hours included in these numbers please be explicit about how those costs are included.

RESPONSE:

a. Vehicle cost categories used to calculate cost per hour and cost per mile in the Vehicle Management Accounting System (VMAS) includes Fuel and Oil, Allied Labor, VMF Parts, Direct Maintenance Labor, Contract Labor, Contractor Parts, Distributed Cost, and Vehicle Depreciation.

INSTITUTIONAL RESPONSE OF THE UNITED STATES POSTAL SERVICE TO AMERICAN POSTAL WORKERS UNION INTERROGATORY

RESPONSE to APWU/USPS-35 (continued)

October 2011 - March 2012

Reference: Vehicle Maintenance Accounting System (VMAS)

	<u>CPM</u>	<u>CPH</u>
Single axle tractors	\$1.19	\$11.50
Dual axle tractors	\$1.32	\$15.45
Trailers	N/A	N/A
11 ton straight trucks*	\$1.53	\$14.06
9 ton straight trucks	N/A	N/A
7 ton straight trucks	N/A	N/A
2 ton vans	N/A	N/A
2 1/2 ton vans	N/A	N/A

Trailer costs are not calcuated therefore not available

9 ton straight trucks are not in the fleet

7 ton straight truck costs are included with 11 ton

2 ton vans are not applicable to PVS

2 1/2 ton vans are not applicable to PVS

	L_	Cost	Pe	r Mile (C	PM)		1	Cost P	er H	our (CI	PH)	
Cost Components	Sir	gle Axle	Dι	ıal Axle	7/	11 Ton	Sin	gle Axle	Du	al Axle	7/	11 Ton
Fuel Allied Labor	\$ \$	0.64 0.01	\$	0.70	\$	0.55	\$	6.30	\$	8.17	\$	5.07
VMF Parts	\$	0.12	\$	0.01 0.15	\$ \$	0.02	\$	0.10 1.10	\$ \$	0.12 1.70	\$ \$	0.18
Direct Maintenance Labor Contract Labor	\$ \$	0.11 0.02	\$ \$	0.11 0.04	\$ \$	0.19	\$	1.00 0.20	\$ \$	1.30 0.43	\$ \$	1.76 0.57
Contract Parts Distributed Cost	\$ \$	0.01 0.06	\$ \$	0.03	\$ \$	0.03	\$ \$	0.10	\$ \$	0.40 0.85	\$	0.31
Vehicle Depreciation	Ls_	0.22	\$	0.21	\$	0.35	s	2.10	Si	2.48	\$ \$	1.06

Reference / Definition:

Allied Labor: USPS labor cost for fueling vehicles

Distributed Cost: USPS clerical and management labor cost

 Labor costs are included in the table above. LDC 30 and LDC 32 hours are noted as Distributed Cost.