



Mr. David Heather
Director of Labor Relations
National Rural Letter Carriers'
Association
1630 Duke Street
Alexandria, VA 22314-3467

Re: Q15R-4Q-C 16846401
Class Action
Washington, DC .20260-4100

Dear David:

On several occasions, the most recent being February 25, 2019, the parties discussed the above-captioned grievance at the fourth step of our contractual grievance procedure.

The issue in this grievance concerns the appropriate compensation for rural carriers required to deliver Amazon Fresh totes.

During our discussion, we mutually agreed the following will constitute full and complete settlement of the grievance:

The Postal Service began a market test delivering groceries in the San Francisco, California delivery area on August 8, 2014. The test was expanded to additional delivery locations in California on June 30, 2015, and to locations in the New York metropolitan area beginning July 15, 2015.

Based on the logistics involved with the hub market test, the parties agreed that grocery deliveries (Amazon Fresh totes) for rural route addresses would be completed by leave replacement carriers from select hub locations. These carriers were compensated at the hourly rate for the actual time taken to complete these deliveries.

In June 2016, Amazon expanded the market test using hub locations and began a second concept of direct drop shipments at delivery units. In response to the logistics of the second concept, regular rural carriers were utilized, in some instances, to deliver the totes for the assigned routes within the scheduled delivery window; to include situations where deviation was required. In December 2017, Amazon discontinued the direct drop shipments at delivery units.

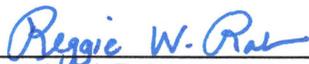
Accordingly, the parties agree to provide compensation for the period beginning June 2016, and ending December 2017, for any additional duties required to deliver Amazon Fresh totes, other than those associated with the normal delivery of parcels. For instance, compensation is warranted for the actual time to perform additional duties such as, but not limited to, making a separate trip to obtain the totes, reviewing totes to determine if the delivery window will be met, and interrupting casing duties to deliver totes. If regular rural carriers were required to deviate to meet the delivery window, the appropriate compensation will be provided at two (2) minutes per mile.

In addition, the parties had previously agreed the collection of Amazon Fresh totes would be credited as Carrier Pickup. However, if carriers were required to return the totes to a designated location other than the normal location for deposit of mail or empty equipment; additional compensation for the actual time to perform this work function is also warranted.

Regular rural carriers will be compensated using PS Form 8127, *Rural Carrier Supplemental Payment* for the additional work performed from June 2016 through December 2017. RCAs that received the daily evaluated compensation for casing and carrying a route, should be compensated for the additional work using PS Form 1314-A. In order to be eligible for payment, the additional work must be clearly identified and documented.

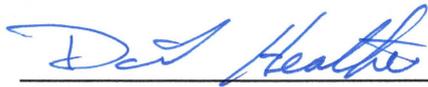
Please sign and return the enclosed copy of this letter as your acknowledgement of agreement to settle this case.

Time limits were extended by mutual consent.



Reggie W. Rabon
Labor Relations Specialist
Contract Administration (NRLCA)

Date: 2/28/19



David Heather
Director of Labor Relations
National Rural Letter Carriers'
Association

Date: 2/28/19