



UNITED STATES POSTAL SERVICE
Labor Relations Department
475 L'Enfant Plaza, SW
Washington, DC 20260-4100

July 5, 1988

Mr. Lawrence G. Hutchins
Vice President
National Association of Letter
Carriers, AFL-CIO
100 Indiana Avenue, N.W.
Washington, DC 20001-2197

Re: H4N-5H-C 12359

Dear Mr. Hutchins:

The parties' representatives recently engaged in a prearbitration discussion regarding the above-referenced matter, which arose out of a dispute in the Lodi, California Post Office concerning the use of Rural Carrier Relief (RCR) employees to case mail on city carrier routes. As a result of that discussion, the parties mutually agreed to a full and complete settlement of the grievance pursuant to the following terms:

1. The Postal Service acknowledges that in this particular instance the use of RCR employees to case mail on city carrier routes was inconsistent with the National Agreement.
2. It is agreed that the Postal Service may not normally or ordinarily use an RCR or Rural Carrier Associate (RCA) employees to perform city letter carrier work. It is also agreed, however, that in the limited, unusual and unforeseeable circumstances provided for in Article 3, Section F of the National Agreement, the Postal Service may use RCR or RCA employees to perform letter carrier work.

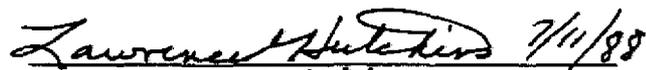
- 2 -

3. The parties further agree to remand this grievance to Step 3 for a calculation of damages (in the form of back pay) to be divided among city carrier employees in the Lodi, California, Post Office who were denied work by the November 2 - 16, 1988, use of RCR employees to case mail on city carrier routes. Such hours are not to exceed a total of 61.12 hours and a rate one and one-half times the base hourly straight time rate for each city carrier employee denied work.

Please sign and return the enclosed copy of this letter acknowledging your agreement with this settlement, and withdrawing this case from the national arbitration scheduled for July 6, 1988.

Sincerely,


Stephen W. Furgeson
General Manager
Grievance and Arbitration
Division


Lawrence G. Hutchins
Vice President
National Association of Letter
Carriers, AFL-CIO