Dear Ms. Lish,

In April 2021, V3 Companies, Ltd. (V3), on behalf of Scannell Properties (applicant), submitted an isolated wetland individual permit (IWIP) for isolated wetland impacts associated with a proposed parking lot expansion for the Zionsville FedEx facility situated at the terminus of Bennett Parkway, Zionsville, Boone County, Indiana. The Indiana Department of Environmental Management (IDEM) permit number is 2021-293-06-ERL-A.

On 28 May 2021, the IDEM received public comments from the Hoosier Environmental Council (HEC) indicating perceived issues with permit application 2021-293-06-ERL. To resolve these comments, the IDEM sent an email to V3 on 4 June 2021 making three requests:

1) Reclassification of all on-site isolated wetlands from Class II to Class III isolated wetlands
2) A more detailed alternatives analysis
3) A response to the issues noted in the HEC comments

V3 respectfully presents the following response to IDEM’s three requests.

1. **Wetland Reclassification**

   In June 2021, the IDEM asked V3 to reclassify on-site wetlands as Class III isolated wetlands with a new mitigation proposal. V3 agrees that all on-site wetlands should be classified as Class III isolated wetlands. *Table 1* shows a revised mitigation proposal:

   (continued on next page)
Table 1: Revised Mitigation Proposal

<table>
<thead>
<tr>
<th>Wetland</th>
<th>Class &amp; Type</th>
<th>Class</th>
<th>Area (onsite, acres)</th>
<th>Proposed Impacts (acres)</th>
<th>Ratio</th>
<th>Mitigation Required (acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wetland A</td>
<td>Forested</td>
<td>Class III</td>
<td>2.21</td>
<td>2.21</td>
<td>2.5:1</td>
<td>5.53</td>
</tr>
<tr>
<td>Wetland A</td>
<td>Scrub-Shrub</td>
<td>Class III</td>
<td>0.14</td>
<td>0.14</td>
<td>2:1</td>
<td>0.28</td>
</tr>
<tr>
<td>Wetland A</td>
<td>Emergent</td>
<td>Class III</td>
<td>0.42</td>
<td>0.42</td>
<td>2:1</td>
<td>0.84</td>
</tr>
<tr>
<td>Wetland B</td>
<td>Forested</td>
<td>Class III</td>
<td>0.42</td>
<td>0.42</td>
<td>2.5:1</td>
<td>1.05</td>
</tr>
<tr>
<td>Wetland C</td>
<td>Forested</td>
<td>Class III</td>
<td>0.25</td>
<td>0.25</td>
<td>2.5:1</td>
<td>0.63</td>
</tr>
<tr>
<td>Wetland D</td>
<td>Forested</td>
<td>Class III</td>
<td>0.01</td>
<td>0.01</td>
<td>2.5:1</td>
<td>0.03</td>
</tr>
<tr>
<td>Wetland E</td>
<td>Forested</td>
<td>Class III</td>
<td>0.05</td>
<td>0.05</td>
<td>2.5:1</td>
<td>0.13</td>
</tr>
<tr>
<td>Wetland F</td>
<td>Forested</td>
<td>Class III</td>
<td>0.15</td>
<td>0.15</td>
<td>2.5:1</td>
<td>0.38</td>
</tr>
<tr>
<td>Wetland G</td>
<td>Forested</td>
<td>Class III</td>
<td>0.16</td>
<td>0.16</td>
<td>2.5:1</td>
<td>0.40</td>
</tr>
<tr>
<td>Wetland H</td>
<td>Forested</td>
<td>Class III</td>
<td>6.09</td>
<td>0.03</td>
<td>2.5:1</td>
<td>0.08</td>
</tr>
<tr>
<td>Wetland H</td>
<td>Emergent</td>
<td>Class III</td>
<td>1.19</td>
<td>0</td>
<td>N/A</td>
<td>0</td>
</tr>
<tr>
<td>Wetland I</td>
<td>Emergent</td>
<td>Class III</td>
<td>0.08</td>
<td>0</td>
<td>N/A</td>
<td>0</td>
</tr>
<tr>
<td>Wetland J</td>
<td>Emergent</td>
<td>Class III</td>
<td>0.11</td>
<td>0</td>
<td>N/A</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>11.28</strong></td>
<td><strong>3.84</strong></td>
<td></td>
<td><strong>9.35</strong></td>
</tr>
</tbody>
</table>

The revised compensatory mitigation proposal is 9.35 acres of mitigation.

2. Alternatives Analysis
The IDEM’s June 2021 email to V3 contained a request for a “more in-depth reasonable alternatives analysis that assesses impacts to water quality both on-site and to the adjacent Browning Marsh Preserve, including stormwater impacts from development of the site.”

V3 respectfully presents the following revised alternatives analysis, based on the “No Build,” “Avoidance,” and “Minimization” alternatives as presented in the April 2021 permit application.

No Build Alternative
Under the “No Build” alternative, FedEx would not complete the development as intended, and the parking lot would be left at its current capacity. An off-site parking lot is impossible because FedEx does not own any suitable tracts within a practical driving distance of the site, and most of the surrounding land use is already developed. The “No Build” alternative would create a severe parking space deficit.

The “No Build” alternative is not practical for FedEx’s intended use of the tract. The on-site FedEx facility is unique: it serves local delivery, sends outbound packages, and acts as a regional hub for local FedEx facilities. It operates 24 hours per day, seven days per week. There are no comparable FedEx facilities in the local area. To respond to the overwhelming growth in national demand for home package delivery, FedEx is increasing efficiency at the facility by adding more shifts and intensifying package throughput, requiring more car and van/trailer parking. Since current projections indicate a substantial parking space shortfall over the next five years, expansion of parking capacity is key to satisfying demand for home package delivery for local FedEx operations.

Since the “No Build” alternative creates a parking space deficit, it would create substantial problems for FedEx operations. FedEx would not be able to conduct normal operations, especially considering the growth in demand for package delivery. As such, the “No Build” alternative is not feasible and is therefore not practical or reasonable.
Avoidance
Under the “Avoidance” alternative, the parking lot would avoid all on-site wetland impacts. Wetland avoidance would make internal vehicle conveyance impossible due to the placement of wetlands within the site. The “Avoidance” alternative would render the parking lot non-functional, and Fed Ex would not build it on-site.

There is no difference between the “Avoidance” and “No Build” alternatives. Avoiding on-site wetland impacts would mean that no parking lot could be constructed. An off-site parking lot is not possible for the reasons discussed under the “No Build” alternative. The “Avoidance” alternative is not feasible.

Minimization
Under the “Minimization” alternative, the parking lot is designed to minimize impacts to on-site wetlands. Fed Ex designed the original parking lot layout based on the Original Design. Fed Ex has re-designed the parking lot over multiple iterations for the exclusive purpose of minimizing wetland impacts and maximizing water quality. Fed Ex has sacrificed parking space capacity and lot efficiency to accomplish this.

<table>
<thead>
<tr>
<th>Design</th>
<th>Date</th>
<th>Design Iteration</th>
<th>Wetland Impacts (acres)</th>
<th>Parking Spaces Added</th>
<th>Minimization Measures Imposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Design</td>
<td>Winter 2020</td>
<td>First</td>
<td>11.28 (estimated)</td>
<td>352 trailer 322 car 83 van</td>
<td>None</td>
</tr>
<tr>
<td>Alternative 1</td>
<td>2020 / 2021</td>
<td>Second</td>
<td>9.17</td>
<td>329 trailer 320 car 76 van</td>
<td>Reduced parking capacity</td>
</tr>
<tr>
<td>Alternative 2</td>
<td>Spring 2021</td>
<td>Third</td>
<td>3.59</td>
<td>278 trailer 196 car 56 van</td>
<td>Reduced parking capacity, reduced aisle width, double-stacked trailer parking, van space compression</td>
</tr>
<tr>
<td>Alternative 3</td>
<td>Summer 2021</td>
<td>Fourth</td>
<td>3.59</td>
<td>278 trailer 196 car 56 van</td>
<td>All of the above, plus water quality measures (constructed wetland, underground detention, and pond expansion)</td>
</tr>
</tbody>
</table>

While the “Original Design” design was based on parking space needs projected for a five-year time horizon, Alternatives 2 and 3 address only a three-year time horizon, adding fewer parking spaces and creating a shortfall: Alternatives 2 and 3 will result in an estimated shortfall of 579 trailer spaces, 196 car spaces, and 50 van spaces by 2026. Aisle width reduction allows for more parking spaces to fit into a smaller area but reduces the internal traffic conveyance efficiency. Double-stacked parking imposes a substantial loss in parking lot efficiency because trailers must park directly behind one another with no ability to “pull out” unless both trailers are moved. These design changes introduce substantial losses of efficiency and capacity, but minimize impacts to wetlands by approximately 7.69 acres, or almost 70 percent of original proposed impacts.

Alternatives 2 and 3 avoid all impacts to Wetlands I and J, and reduce impacts to the Browning Marsh Wetland (Wetland H) by 99 percent. Alternatives 2 and 3 therefore minimize impacts to approximately 30 percent of what was proposed under the “Original Design” design. Exhibit 1 shows the “Original Design” design. Figure 1 compares Alternatives 1 and 2. Figure 2 shows Alternative 3.

Alternative 3 improves upon Alternative 2 by adding water quality improvement measures. Alternative 3’s site drainage infrastructure has been designed to satisfy Town of Zionsville Stormwater Management Technical
Standards. Storage and treatment in the stormwater ponds and in the constructed wetland will be sufficient to ensure no new discharge to the Browning Marsh Wetland (Wetland H) beyond the discharge that it currently receives.

Water quality measures under Alternative 3 include underground detention, a pond expansion, a constructed wetland, and a wet detention basin.

1. **Underground Detention**

   Alternative 3 includes underground detention to improve stormwater storage and treatment. The eastern portion of the proposed parking lot will drain to underground detention before discharging into an existing stormwater pond.

   Underground detention, combined with the expanded Pond 4 (see below), is designed to ensure that release rates do not exceed those allowed under the current master drainage plan.

2. **Pond 4 Expansion**

   Pond 4 is an existing stormwater pond of approximately 1.40 acres whose current storage capacity at normal pool is approximately 165,510 cubic feet (CF). Under Alternative 3, Fed Ex will expand Pond 4 to an area of approximately 2.55 acres. The proposed expansion at Pond 4 will increase storage to approximately 276,150 CF at normal pool.

   The expanded Pond 4, combined with the underground detention unit, is designed to ensure that release rates do not exceed those allowed under the current master drainage plan.

3. **Constructed Wetland**

   Under Alternative 3, Fed Ex will build a constructed wetland along the east edge of the proposed parking lot. The area of the constructed wetland will be approximately 1.31 acres. The constructed wetland will receive stormwater runoff from the trailer parking area in the north portion of the proposed parking lot. The constructed wetland will provide approximately 50,760 CF of storage and will discharge into a wet detention basin to the south (see below).

   The constructed wetland is a key feature of water quality impact minimization under Alternative 3. The constructed wetland will provide water treatment in addition to storage. The constructed wetland is designed to treat suspended solids, nitrogen, phosphorus, metals (various), bacteria (various), and hydrocarbons (various).

   The constructed wetland will also function as habitat, which may be used by local wildlife including birds, insects, amphibians, native plants, and other organisms.

4. **Wet Detention Basin**

   Alternative 3 includes a wet detention basin situated south of the constructed wetland and car/van parking area. The wet detention basin will have an area of approximately 0.70 acre and a storage capacity of approximately 222,150 CY between elevations 882 and 891 feet above mean sea level (AMSL). The wet detention basin will receive water from the constructed wetland and will convey water south and into the Browning Marsh Wetland (Wetland H).

   The wet detention basin, like the constructed wetland, will remove suspended solids, nitrogen, phosphorus, metals (various), bacteria (various), and hydrocarbons (various).

   As a holistic stormwater approach, the wet detention basin will also function as habitat, which may be used by local wildlife including insects, birds, amphibians, insects, and other organisms.
Figure 2 shows the water quality measures incorporated in Alternative 3.

3. Response to Hoosier Environmental Council Comments
Following is a response to HEC comments, as requested:

1. **HEC Comment:** The alternatives analysis should have considered environmental benefits and should have considered not developing at all.
   
   **Response:** V3 respectfully presents the revised alternatives analysis, which includes the “No Build” and “Avoidance” alternatives.

2. **HEC Comment:** The proposed project does not align with Indiana’s water quality standards.
   
   **Response:** V3 respectfully presents the water quality discussion under Alternative 3, which describes the water quality measures incorporated in the site re-design.

3. **HEC Comment:** The wetlands should be reclassified as Class III isolated wetlands.
   
   **Response:** V3 has reclassified Wetland A and the Browning Marsh Wetland (Wetland H) to Class III isolated wetlands. V3 respectfully suggests that Wetlands B, C, D, E, F, G, J, and I qualify as Class II isolated wetlands.

4. **HEC Comment:** Class III isolated wetlands are subject to additional regulations. The applicant must demonstrate that wetland activity is without reasonable and practical alternative. We must ask if it is appropriate to develop.
   
   **Response:** V3 respectfully presents the revised alternatives analysis, which addresses whether the action is reasonable, practical, and appropriate. As discussed under the “Minimization” alternative in the revised alternatives analysis, the parking lot has been re-designed over multiple iterations to reduce wetland impacts from 11.28 acres to 3.59 acres while minimizing water quality impacts. The “No Build” and “Avoidance” alternatives are not reasonable or practical, as discussed.

5. **HEC Comment:** The applicant should consider wetland enlargement, enhancement, and/or preservation instead of purchasing wetland mitigation credits.
   
   **Response:** V3 queried eligible mitigation banks. Forested wetland credits were not available. V3 did not consider enlargement, enhancement, and/or preservation because existing code does not require this. The code states that enlargement, enhancement, and/or preservation “may be considered ... on a case-by-case basis, particularly for Class III wetlands.” The code does not state that permit applicants must consider these options.

(continued on next page)

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1 327 Indiana Administrative Code (IAC) 17-1-3(S)
V3 respectfully presents the above as a response to IDEM’s June 2021 email. Please do not hesitate to contact us with any questions or concerns.

Sincerely,

Landon Vine  
Project Scientist  
202.360.0563  
Lvine@v3co.com

Jeffrey S. Moody  
Regulatory Service Group Leader  
314.644.5518  
Jmoody@v3co.com
POND REBAR FD 4" AG, 0.16'S & 0.41'W OF CALCULATED CORNER
CALCULATED SW CORNER, W 1/2, NE 1/4, SEC 12
REBAR FOUND 5" AG BENT, 0.91'S & 1.67'W. ALSO CAPPED
"DLDS" REBAR FOUND 6" AG, 5.48'S & 0.51'E OF CALCULATED CORNER
CAPPED "WSI" REBAR FOUND 3" AG, 0.26'W OF CALCULATED CORNER
CAPPED "WSI" REBAR FOUND 1" AG, 0.19'N & 0.21'W OF CALCULATED CORNER
CAPPED "STRUCTURE POINT" REBAR FOUND 2" AG, 0.94'S & 0.65'E OF CALCULATED LOT CORNER
CAPPED "ILLEGIBLE" REBAR FOUND 3" AG, 1.3'S & 1.8'W OF CALCULATED CORNER
CAPPED "WSI" REBAR FOUND @ GRADE, AND AT CALCULATED CORNER
FENCE GENERALLY ON LINE
FENCE IS 0.3'W OF LINE
150' ELEC EASEMENT, DR 190, PG354
150' SEWER EASEMENT, DR 251, PG 452
30' GAS EASEMENT, DR 243, PG 443
300°25'25"E 513.75'(C)682.78'(D)
N04°53'23"E 649.30'
N89°34'35"E 538.01'
S45°20'47"E 113.73'
S89°41'09"W 350.00'
S00°18'51"E 2433.65'(C)2432.72'(D)
N00°18'51"W 2406.03'(C)2405.15'(D)
N85°10'26"E 351.09'
CONCRETE GAS MARKER
CONCRETE GAS MARKER
TBM #1= 892.00
12" VERTICAL PIPE NEXT TO CONCRETE MARKER
66' PANHANDLE EASTERN PIPELINE DR 171, PG 422
60' SHELL OIL COMPANY PIPE LINE DR 187, PG 126
156 TRAILER SPACES
115 TRAILER SPACES
81 TRAILER SPACES
83 VAN SPACES
322 CAR SPACES
POND: 0.60 AC
POND: 1.16 AC
POND: 0.21 AC
POND: 0.33 AC
POND: 0.39 AC
17 VAN SPACES
22 TRACTOR SPACES
PARKING EXHIBIT
FXG
Zionsville, Indiana
12/15/2020
Exhibit 1
ALTERNATIVE 1
(9.17 ACRES OF WETLAND IMPACT)

ALTERNATIVE 2
(3.59 ACRES OF WETLAND IMPACT)