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Martha's Vineyard Commission

DRI #194-M SAV/FedEx Ground Redevelopment

MVC Staff Report – 2021-10-20

1. DESCRIPTION

- 1.1 **Applicant:** Allen Scott, SAV Associates; Vortex Engineering Inc. (project engineers and managers)
 - 1.2 **Owner:** Allen Scott, SAV Associates (leaseholder)
 - 1.3 **Project Location:** 15 North Line Road, Map 24, Block 2, Lot 24, Edgartown (Airport Business Park)
 - 1.4 **Proposal:** Replacement of two mini storage units with two modular docks, and modification of existing modular docks to accommodate a service center and employee offices.
 - 1.5 **Zoning:** Business 3 (B3)
 - 1.6 **Local Permits:** Building Permit, Martha's Vineyard Airport Commission approval
 - 1.7 **Surrounding Land Uses:** Other commercial uses in the Airport Business Park, including delivery operations, catering, fuel storage, auto repair, etc.
- Project History:** The site currently has the following buildings, including two 12'x50' modular docks with access for seven delivery vehicles at a time:

- Building A: 5,100 ft² (storage)
- Building B: 3,200 ft² (storage)
- Building C: 2,000 ft² (storage)
- Building D: 2,500 ft² (storage)
- Building E: 1,800 ft² (modular docs)

The MVC approved DRI 194 in 1985, which allowed for the construction of Building A. The building permit application at the time shows that Buildings B, C, and D already existed. The construction of Buildings B-D appears to have been done without being referred to the MVC, or at a time when Edgartown was not subject to MVC review. Buildings A-D all existed when SAV Associates acquired the lease for the lot in 1991. Building E (the modular docks) was first approved as a smaller unit in 2006, and in its current form in 2013.

Project Summary: The current proposal is in response to increased demand for online ordering during the pandemic, which is not expected to diminish as restrictions related to the pandemic are lifted.

The proposal is to demolish Buildings C and D and replace them with two 12'x50' modular docks for FedEx Ground operations. The new docks will increase the number of vehicle delivery doors from seven to 20 (18 van-load doors and two trailer doors), and decrease the total square footage of buildings on the lot by 3,300 ft². The two existing 12'x50' modular docks will be converted into employee offices and a customer service center.

Existing asphalt extends over the northern part of the site and onto the abutting lot to the west, which is also leased by SAV Associates. A gravel area north of the existing Buildings C and D will be replaced with asphalt.

2. ADMINISTRATIVE SUMMARY

- 2.1 DRI Referral: Self-referred
- 2.2 DRI Trigger: 1.3D (Previous DRI)
- 2.3 LUPC: July 26 and August 16, 2021
- 2.4 MVC: September 9, 2021
- 2.5 Public Hearing: Not required

3. PLANNING CONCERNS

- 3.1 **Water and Wastewater:** The property is connected to the Airport Wastewater Treatment Facility, which has adequate capacity. FedEx does not intend to store any hazardous materials or do any vehicle maintenance on the site.

- 3.2 **Stormwater and Drainage:** The project would increase the amount of impervious surface on the site from about 5,400 ft² to 12,750 ft² (7,350 ft² increase). However, the project was revised after the June 26 LUPC meeting to retain the existing gravel around Buildings A and B, and to use gravel pavement instead of asphalt around the new loading dock. The portion of the site just north of the new loading docks will be asphalt, connecting to areas of existing asphalt to the north and west.
The applicant has provided a stormwater management plan showing three inlets (two existing and one proposed), one existing leach pit, and two proposed dry wells sized to the 25-year/24-hour storm event. The stormwater plan must also be approved by the Airport Commission.

- 3.3 **Energy (UPDATED OCT. 20):** The applicant has stated that the new modular docks will be all-electric. In response to comments at the LUPC meeting on Aug. 16, FedEx Ground clarified that in regard to electric vehicles, its contracted drivers have already agreed to terms and conditions, which the company cannot unilaterally change. However, the company stated that it aims “for all pickup and delivery vehicles operated by service providers ... to be electric by 2040” and “will collaborate with service providers to support the inclusion of electric vehicles technology” in the coming years.

The company also stated, “Our road to achieving the 2040 goals will start with a significant focus on EV charging infrastructure in our facilities to support the P&D (pickup and delivery) fleets of service providers as they transition to EVs. As we move toward carbon neutral operations, we also continue our efforts in renewable energy, energy efficiency, waste diversion and employee sustainability champion engagement.”

The MVC Energy Policy includes the following guidance in terms of onsite renewable energy generation and EV charging stations:

Step 3: Consistent with the goals of this policy and the targets set out in section 3, provide information showing all-electric design and any onsite renewable energy generation (if applicable), or other mitigation measures.

Additionally, for projects with existing onsite fossil-fuel-powered equipment, applicants must provide information regarding the replacement of existing equipment at the end of its life. The commission may also require more detailed plans prior to issuance of a building permit.

Applicants are strongly encouraged to design the project with onsite renewable energy generation to the maximum extent feasible, as a goal.

Step 5: Provide a plan for electric-vehicle charging stations (parking areas only).

All parking spots for fleet vehicles, and/or residential units, including multi-unit or mixed-use buildings, should include pedestal-ready infrastructure for electric-vehicle charging stations (or full stations). For parking spots that will be used for other purposes, the MVC may require the applicant to provide a plan for the future installation of electric-vehicle charging stations and/or the necessary infrastructure. All lighting for parking areas must be LED.

In response to further discussion at the MVC meeting on Sept. 9, FedEx Ground provided the following offers and clarifications:

1. The proposed facility will be all-electric.
2. Until onsite solar becomes feasible to install, FedEx Ground will purchase Renewable Energy Credits (RECs) associated with a project within the ISO New England Grid, in the amount of 43 MWh annually, which would be commensurate with a system that could fit on the proposed roof space. (The company reiterated that onsite rooftop solar would not be feasible for the proposed premanufactured buildings, which would fail under the additional weight.)
3. FedEx Ground will install conduits to the proposed loading docks to enable the charging of electric vehicles in the future.
4. FedEx Ground will take reasonable efforts to ensure that contracted companies (including delivery van drivers) satisfy the following thresholds:
 - i. 33% of service provider vehicles will be zero-emission vehicles by December 31, 2025, or when commercially available, whichever date is later;
 - ii. 66% of service provider vehicles will be zero-emission vehicles by December 31, 2028, or when commercially available, whichever date is later;
 - iii. 100% of service provider vehicles will be zero-emission vehicles by December 31, 2030, or when commercially available, whichever date is later.

Offer 4 would apply only to vehicle classes 2-6, which include light and medium sized trucks such as those that currently use the FedEx Ground facility, but would exclude vehicles used less than 70% of the year, as well as “supplemental, spare, or rental vehicles that service providers may use when maintaining their fleet or servicing volume surges.” FedEx Ground also states: “In the event that there is a disruption in the manufacturing of zero emission vehicles/trucks or that sufficient vehicles/trucks are not commercially available for the intended application, the timeline may be adjusted to accommodate the manufacturing disruption or unavailability of commercially available vehicles/trucks.”

3.4 Traffic and Transportation: The project would increase the capacity for vehicles to access the loading dock, so the number of trips per day would likely increase. The applicant has provided the following estimates for proposed vehicle use on the site:

- Vehicles during the day: 15 (combination of commercial and personal vehicles)
- Vehicles during the night: 16 (line haul and delivery vehicles)
- Employee vehicles during work hours: 8
- Employees during work hours: 22, including delivery drivers not onsite during work hours

- Customer visits: About 6 per month

FedEx currently contracts 13 delivery vans that operate out of the project site, with access to six dock doors (this does not include the one existing trailer door), which creates inefficiencies and delays in the sorting of packages inside the modular docks. According to FedEx, during the peak-delivery month of June, half of the vans make more than one run to deliver all the packages, which means a total of 19 trips to and from the site per day. The proposal will increase the number of van doors from six to 18, and add another trailer door, so in theory the number of vans could eventually triple. However, FedEx anticipates that the number of vans will increase from 13 to 16 by 2025, with the number of dispatches per day increasing from 19 to 23.

In response to comments at the LUPC meeting on Aug. 16, FedEx Ground provided the following annual package volumes for the project location between FY2015 and FY2021:

FY15 – 150,089
FY16 – 167,179
FY17 – 173,916
FY18 – 191,587
FY19 – 219,135
FY20 – 251,056
FY21 – 489,449 (226% increase from FY15)

The company also projected an annual package volume of 638,400 in calendar year 2021. In regard to the maximum capacity of the proposed loading docks, the company projects 1,012,704 annual packages and 28 daily dispatches at the site in 2030 when the building is developed to its full phase. This would represent about a 59% increase in packages, and about a 47% increase in dispatches from current conditions. However, the company also stated that projections that far into the future are uncertain.

- 3.5 Character and Identity:** The project is located in the vicinity of other similar uses in the Airport Business Park.
- 3.6 Economic Development:** The project will respond to increased demand for online ordering during the pandemic, and improve efficiency in delivering packages. The applicant does not anticipate any increase in employees as a direct result of the project, but the longer-term effects are unknown.
- 3.7 Night Lighting:** The current lighting plan shows building-mounted fluorescent lights at five locations to the rear and sides of the new office building, and LED fixtures at 10 locations along the new loading dock. The color temperature for the proposed fixtures along the loading dock would be 3,000 Kelvin. An illumination analysis shows that only the areas around the new office building and loading docks would be lit, and not the areas around the remaining storage buildings.
- 3.8 Landscape and Site Design:** The applicant has not provided a landscape plan, although the site plan shows that existing trees along North Line Road would remain. The project would result in more of the property being paved, but no additional vegetation or other shading/screening is shown for the paved area. Final landscaping would need to be approved by the Martha's Vineyard Airport Commission.

