

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

Action Information

MEAD Number:
201119

Resolution:
 Yes No

TITLE:

Peapod by Giant Pilot Project

PRESENTATION SUMMARY:

Peapod by Giant would like to provide pick-up service to Metro riders on a six-month trial basis. The trial service will be provided at Fort Totten, Vienna/Fairfax-GMU, and Glenmont Metro Stations.

PURPOSE:

Request Board approval to negotiate and enter into a license agreement with Peapod by Giant for a Pilot Project at three Metro stations and Board finding that the Pilot Project is a permitted retail venture under the Use Regulation for the limited purpose and duration of the Pilot Project.

DESCRIPTION:

Peapod by Giant proposes to offer pick-up/delivery service of Giant products to Metro riders on a six-month trial basis to determine if the concept should be provided on a long-term basis at multiple stations. The Pilot Project will be provided at Fort Totten, Vienna/Fairfax-GMU, and Glenmont Metro Stations. WMATA and Peapod by Giant desire to negotiate and execute a license agreement to govern the terms and conditions of the Pilot Project.

Key Highlights:

- The pilot project is free, however, if successful, the long-term contract would provide revenue to Metro
- The pilot project provides another amenity to Metro riders, much like the ATM project currently in place
- This effort will directly support two of Metro's Momentum Strategic Plan goals
 - Improve regional mobility and connect communities
 - Ensuring financial stability and investing in our people and assets

Background and History:

Peapod approached Metro to propose a pilot program at three stations, one each in Maryland, Virginia, and the District. The stations selected are Fort Totten, Vienna/Fairfax-GMU, and Glenmont. Peapod will install a locker at each station to store the orders that will be distributed to Metro riders. The lockers will not require any utility hook-ups nor will they impede existing operations at these stations. During the

pilot project, pick-up service will be scheduled for Mondays, Wednesdays, and Fridays beginning at 4:00pm and ending at 7:00pm.

Metro riders will use Peapod's existing online service to order and pay for products. During the on-line checkout process, Metro riders will have the option to choose the station where they pick up their order as well as the time of day most convenient for them based on the test schedule. A Peapod representative will service each location, distributing the orders to Metro riders accordingly. Metrobus riders can walk up to the locker and retrieve their order directly, while Metrorail riders can get in their car, pull up in the Kiss & Ride area, park in one of the "A" spaces, call the Peapod representative using the cellular telephone number that was provided during checkout, and the representative will walk the order to the Metrorail rider's car. No money will be exchanged at any of these stations.

Discussion:

Staff screened the proposal to all Metro offices and departments. Issues of legal sufficiency, security, safety, and operations were addressed. Peapod will not store any orders overnight and the lockers will have signage clearly stating as much. The locker locations will not impede Metro operations or pedestrian traffic. Peapod will supply Metro with a telephone phone number staffed 24 hours a day in the event of an emergency. Peapod will be responsible for maintaining the lockers and the immediate area surrounding them in a clean and litter-free condition.

To avoid any potential violation of the Use Regulation, staff requests that the Board of Directors find that the Pilot Project is a permitted retail venture under the Use Regulation, for the limited purpose and duration of the Pilot Project. Metro will also request approval of the pilot project from the Federal Transit Administration. If after the six-month trial period staff determines that the pilot project is viable, staff will report its findings to the Board of Directors and propose an amendment to the Use Regulation permitting pick-up/delivery service at Metrorail stations. In the event the Board of Directors amends the Use Regulation accordingly, Metro will issue a Request for Proposals to provide such service for a long-term period at Metro stations where feasible and for an as-yet undetermined fee paid to Metro by the winning proposer.

FUNDING IMPACT:

The Pilot Program will be free of charge to Peapod and at no cost to WMATA.	
Project Manager:	Alexis Wise
Project Department/Office:	CFO/LAND

TIMELINE:

Previous Actions	No previous actions.
Anticipated actions after presentation	Negotiate and execute a six-month license agreement with Peapod. Obtain FTA approval of the Pilot Project.

RECOMMENDATION:

Board approval to negotiate and enter into a license agreement with Peapod by Giant for the Pilot Project and Board approval of the Pilot Project as a permitted retail venture under the Use Regulation for the limited purpose and duration of the Pilot Project.

PRESENTED AND ADOPTED: December 18, 2014

SUBJECT: APPROVAL TO CONDUCT PILOT PROJECT WITH *PEAPOD BY GIANT* AT FORT TOTTEN, GLENMONT AND VIENNA/FAIRFAX-GMU METRORAIL STATIONS

2014-67

**RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY**

WHEREAS, *Peapod by Giant* approached the Washington Metropolitan Area Transit Authority (WMATA) with a proposal to provide pick-up/delivery services to Metro riders on a six-month trial basis (the "Pilot Project"); and

WHEREAS, WMATA and *Peapod by Giant* have agreed to test the Pilot Project at three locations; and

WHEREAS, The test locations for the Pilot Project will be at the Fort Totten, Glenmont and Vienna/Fairfax-GMU Metrorail stations; and

WHEREAS, WMATA and *Peapod by Giant* desire to negotiate and enter into a license agreement to govern the terms and conditions of the Pilot Project; and

WHEREAS, The use of the property located at the Fort Totten, Glenmont, and Vienna/Fairfax-GMU Metrorail stations for the Pilot Project is an incidental use of real property, for which the Federal Transit Administration (FTA) approval is required; and

WHEREAS, A successful Pilot Project can result in additional revenue for WMATA and provide a value-added service to WMATA's transit riders; and

WHEREAS, WMATA supports financial stability, connecting communities, and exceeding customer expectations; and

WHEREAS, To avoid any potential violation of the Use Regulation, staff requests a finding by the Board of Directors that the Pilot Project is a permitted retail venture under the Use Regulation, for the limited purpose and duration of the Pilot Project; now, therefore be it

Motioned by Mr. Brown, seconded by Mr. Downs

Ayes: 8 – Mr. Downs, Mr. Downey, Mr. Nichols, Mr. Euille , Mr. Dyke, Mr. Brown, Mr. Costa and Mr. Goldman

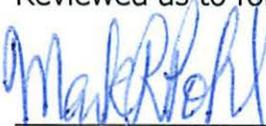
RESOLVED, That for the limited purpose and duration of the Pilot Project, the Board of Directors finds that the Pilot Project is a permitted retail venture under the Use Regulation; and be it further

RESOLVED, That the Board of Directors approves the six-month Pilot Project with *Peapod by Giant* at Fort Totten, Glenmont and Vienna/Fairfax-GMU Metrorail stations, and authorizes staff to negotiate and execute a license agreement with *Peapod by Giant* governing the terms and conditions of the Pilot Project, provided that FTA approves the Pilot Project; and be it further

RESOLVED, That, if after the six-month trial period, staff determines that the Pilot Project is viable, the Board of Directors directs staff to report its findings to the Board, and propose an amendment to the Use Regulation permitting the pick-up/delivery service at Metrorail stations, prior to the issuance of any Request for Proposals to provide such service at any Metrorail stations; and be it finally

RESOLVED, That this Resolution shall be effective 30 days after the adoption of this Resolution.

Reviewed as to form and legal sufficiency,


Kathryn H.S. Pett
General Counsel

WMATA File Structure No.:
21.8.1 Use Regulation