



MEMORANDUM

TO: HPTE BOARD OF DIRECTORS
FROM: KELLY BROWN, HPTE TOLLING OPERATIONS MANAGER
DATE: JULY 15, 2020
SUBJECT: BLISSWAY PHASE 1 PILOT MOU

Purpose and Requested Action

This memorandum presents a request from HPTE staff to review and approve a Memorandum of Understanding between HPTE and Blissway, Inc. (Blissway) for Phase 1 of a multiple phase pilot with Blissway to test the Blissway Wireless Autonomous Lane Enforcement (WAL-E) roadside toll equipment technology, designed to enforce proper Express Lane usage via detection and recognition of license plate information and other vehicle identification such as make or color. Blissway will be conducting Phase 1 of the pilot at no cost to HPTE, CDOT or the driving public. No personally identifiable information (PII) will be collected a part of this pilot. This pilot would be conducted on the I-70 Mountain Express Lane. The I-70 Mountain Express Lane (MEXL) was chosen as the location to run the Phase 1 pilot because the MEXL is closed Monday-Friday which will allow the camera calibration activities to take place without having to resort to lane closures to perform this work.

The pilot will be deemed a success if the following are achieved:

- The System achieves an industry standard uptime.
- The System achieves a license plate reading accuracy of 99.5 percent or higher.

Background

Blissway is the first company to offer tolling-as-a-service turnkey solutions, using cutting-edge artificial intelligence in the fields of computer vision and machine learning, and borrowing from state-of-the-art yield management practices in the airline industry. Blissway is developing software which they say will be able to maximize throughput and simultaneously optimize revenue 24/7 while automatic license plate reading cameras and vehicle occupancy verification technologies deliver near-perfect lane enforcement and occupancy validation. As mentioned above, this pilot will only test their WAL-E cameras.

Participating in this multiple phase pilot with Blissway would catapult HPTE, CDOT, and the State of Colorado to the international forefront of traffic management innovation. Although the Board is only being asked to approve the MOU for Phase 1 of the Blissway pilot, subsequent possible Blissway Pilot phases are planned with a separate MOU drafted for each phase (if deemed successful by the criteria mentioned above). Phase 2 (Simulated Tolling Pilot) and Phase 3 (Trial Tolling Pilot) would consist of the deployment of the full Blissway turnkey solution including:

- Roadside toll equipment (WAL-E cameras);
- Cloud-based platform (booking system, user experience via a smartphone app, charging per minute of time saved, customer billing & payment); and
- Vehicle occupancy verification

At HPTE's request, an additional fourth pilot Blissway Pilot is also planned to test Blissway's WAL-E technology to see if it would also be a viable solution to an existing HPTE Express Lane challenge of weaving across the double solid white line. . With separated gantries, some drivers weave out of the Express Lane into the General Purpose Lanes right before approaching a toll gantry and then weave back into the Express Lane immediately after to avoid the toll. This not only creates perception of lack of lane enforcement, but also loss of revenue and promotion of unsafe driving, if left unchecked. This fourth pilot would consist of the installation of the WAL-E equipment on an Express Lane with tolling gantries, in order to identify and charge "weavers" currently invisible to the existing tolling infrastructure. The concept is that the list of vehicles identified by the WAL-E system would then be compared with the list of vehicles identified by the toll gantry equipment. It would then be assumed that vehicles not on the list of vehicles identified by the toll gantry equipment "weaved" out of the Express Lane into the

General Purpose Lanes to avoid detection by the toll gantry equipment. If the Blissway technology proves to be a viable "weave detector" solution, HPTE would then begin discussion with the Attorney General's office to explore the whether or not HPTE can use the Blissway "weave detector" solution to enforce toll evasion charges against identified weavers or use the Blissway technology to charge identified weavers the toll in effect at the time of the weaving violation. This utilization of the Blissway WAL-E technology by HPTE would be completely separate from the customer/user-facing Blissway Tolling Solution that is being piloted in Phases 2 and 3.

For your reference, Attachment A (Blissway Info Packet) shows the entire Blissway tolling-as-a-service turnkey solution. However, only the "proof-of-concept" for the Wireless Autonomous Lane Enforcement (WAL-E) roadside toll equipment technology is included in the scope of the Phase 1 Blissway Pilot MOU that the Board is being asked to approve. Attachment B (HPTE-Blissway Pilot MOU) describes the scope of the pilot and the responsibilities of each party (HPTE and Blissway).

Board Options and Recommendations

1. Staff recommends that the Board approve Resolution #332 which would allow HPTE to enter into an MOU with Blissway to conduct the Phase 1 Pilot to test their Wireless Autonomous Lane Enforcement (WAL-E) roadside toll equipment technology.
2. Deny the request for approval and direct HPTE not to enter into an MOU with Blissway to test their Wireless Autonomous Lane Enforcement (WAL-E) roadside toll equipment technology.

Next Steps:

If Resolution #332 is approved:

- The HPTE Director will sign and execute the Phase 1 Blissway Pilot MOU with Blissway
- After the MOU is executed by HPTE and Blissway, Blissway will commence the activities listed in Exhibit A - Statement of Work of the Pilot MOU.
- HPTE Staff will return to the Board at the conclusion of the Blissway Phase 1 Pilot and report on the findings

Attachments

Attachment A: Blissway Info Packet

Attachment B: HPTE-Blissway Pilot MOU

Attachment C: Resolution #332

Attachment A: Blissway Info Packet



THE TRAVELER EXPERIENCE

Tap a Button, Skip Traffic

1. BEFORE THE COMMUTE



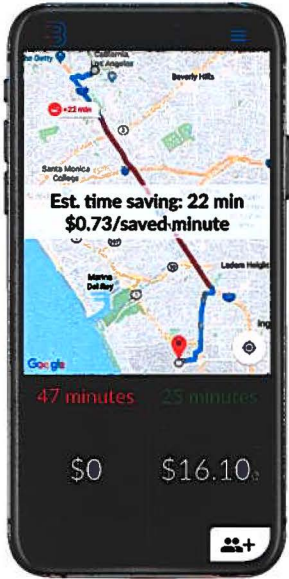
2. BEFORE THE COMMUTE



3. BEFORE THE COMMUTE

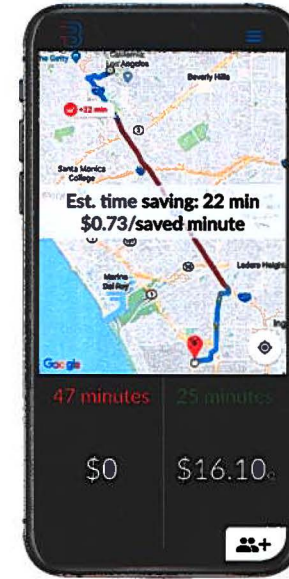


You input a destination
for route optimization



4. BEFORE THE COMMUTE

If the fastest route goes through a highway with a Fast Lane, Blissway offers you the choice to book that lane for a fee



5. BEFORE THE COMMUTE

In this case, Blissway estimates saving 22 minutes, quoting \$16.10. If accepted, you are agreeing to pay \$0.73 per minute of *effective saved time*



6. BEFORE THE COMMUTE

If you are not a solo driver, select the number of occupants to get a price discount



7. BEFORE THE COMMUTE

If you claimed over one occupant, you may be randomly chosen for occupancy verification



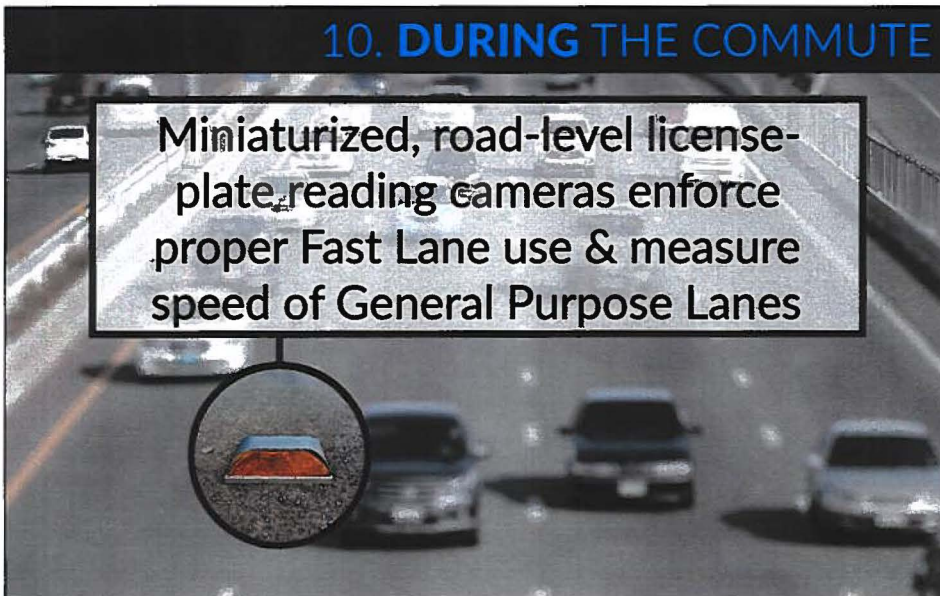
8. BEFORE THE COMMUTE

You take up to three photos accounting for all occupants and computer vision *inside your phone* does the headcount



9. DURING THE COMMUTE

Turn-by-turn navigation



10. DURING THE COMMUTE

Miniaturized, road-level license-plate reading cameras enforce proper Fast Lane use & measure speed of General Purpose Lanes



11. AFTER THE COMMUTE

Blissway charges only for the *effective time saved* on your commute

Blissway represents a technical leap [PAT. PENDING] that replaces the current hardware-heavy software-lite Electronic Toll Collection (ETC) architecture - windshield transponders & gantries - with the smartphone in everyone's pocket and miniaturized road-level license plate reading cameras

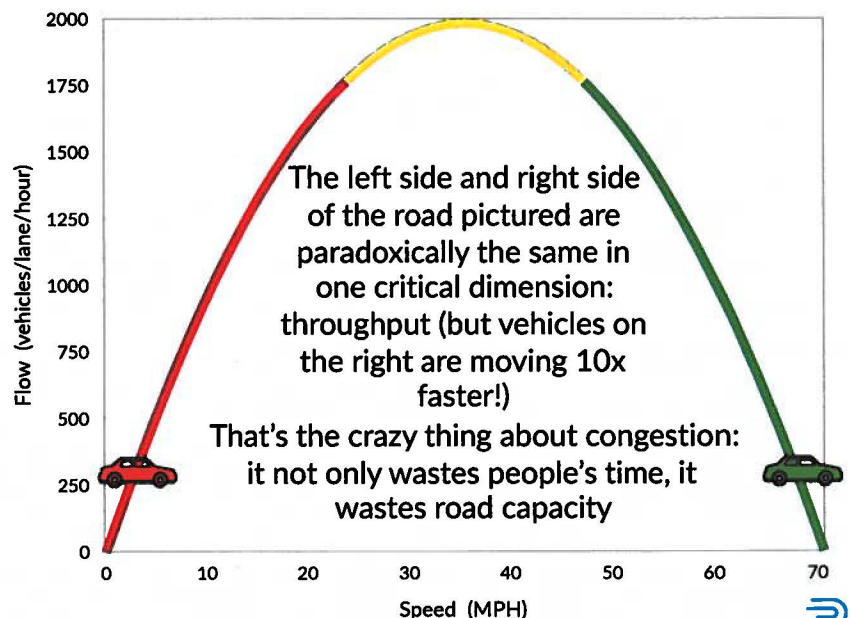


For road operators: Blissway doesn't reduce demand like conventional toll tech but organizes it, which **increases vehicle throughput** and **eradicates rush hour congestion**

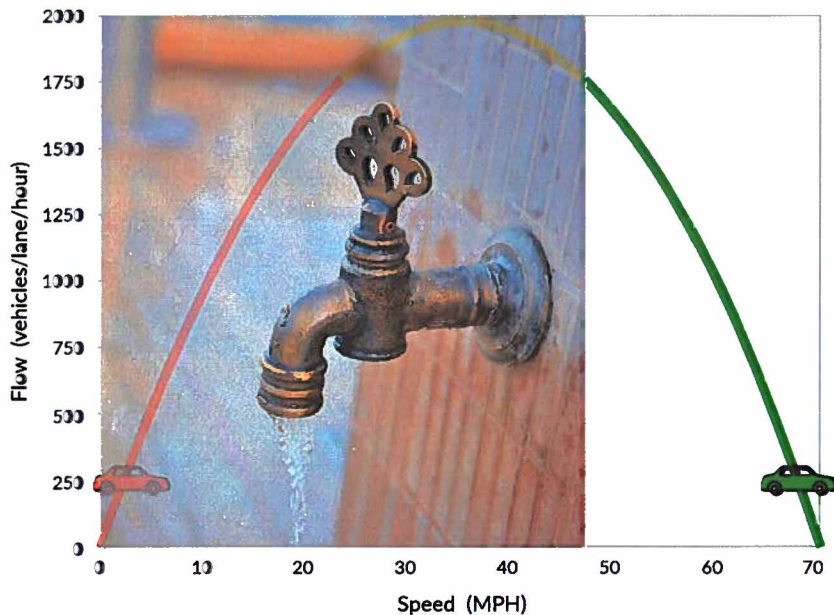
For drivers: **a shorter, more reliable commute** in which **you're only charged per minute of effective saved time** as compared to general purpose lane drivers



The (Counterintuitive) Fundamental Diagram of Traffic Flow



The (Counterintuitive) Fundamental Diagram of Traffic Flow



Before Blissway, no one had been consistently able to prevent traffic from ever moving into the yellow area, the zone where a single driver breaking can collapse vehicle flow into gridlock - the red area

Blissway matches demand (drivers) and supply (road space), allowing us to organize unforeseeable traffic, making it predictable



State-of-the-Practice Tolling

BLISSWAY

High investment for future revenue



Zero investment for higher revenue

Years to Go-Live



Months to Go-Live

Material increase in lane capacity



An average doubling in lane capacity

Highest toll when service is worst



Driver only pays per minute of actual saved time

Ineffective enforcement of lane and vehicle occupancy



Near-perfect enforcement of lane and vehicle occupancy



BLISSWAY Benefits

TRAFFIC

- Can maintain free-flow conditions 24/7 for Fast Lanes
- Up to a doubling in lane capacity at rush hour, benefitting drivers in both Fast Lanes and general purpose lanes
- Increases average vehicle occupancy, by incentivizing carpooling and public transit

DRIVER

- Reduces travel time and increases time reliability
- Only charged per minute of effective saved time
- No negative surprises: price is agreed before the trip
- Low friction for drivers. Installation: download an app. Operation: through the app

IMPLEMENTATION

- Negligible physical footprint on highways
- Project delivery within months instead of years
- Pilot-ready hardware deployment (or removal) within weeks, with minimal traffic disruption

FINANCIAL

- New revenue source for highway authority to maintain and improve infrastructure
- Allocation through an auction optimizes revenue from single-occupancy drivers
- Equipment is two orders of magnitude cheaper than existing tolling gantry solutions
- Zero upfront investment from highway authority
- Revenue generation from Day 1
- Pilot flexibility: highway authority can cancel contract with a three-month notice

EQUITY

- "Progressive tax": high-income (i.e. solo) drivers pay while carpoolers access the same service, potentially free
- Time reliability allows public transit (bus) routes to utilize highways and create express services
- Easy to implement targeted programs to give toll credits to lower-income drivers
- Diminishes CO₂ and local emissions (NO_x, PM₁₀) by less idling and more carpooling

ENFORCEMENT

- Near perfect lane enforcement, without privacy concerns
- Near perfect vehicle occupancy verification, without privacy concerns
- Frees highway patrol from enforcing proper toll use

PUBLIC OPINION

- Only true market-clearing toll technology
- Transparent, real-time, publicly available toll revenue for the county/state

OTHERS

- Worldwide interoperability
- Wealth of anonymized traffic data for the highway authority
- In case of traffic disruption, app informs and reroutes users to attenuate gridlock
- Incremental, easily expandable solution: from one to multiple lanes
- Future-proof: many of the above benefits improve with increased vehicle automation

Let's start a discussion. hello@blissway.co

Attachment B: HPTE-Blissway Pilot MOU

Pilot Agreement COVER PAGE

State Agency High Performance Transportation Enterprise (HPTE)	Agreement Number Insert CMS Number or Other Agreement Number SAP Encumbrance Number Insert SAP Encumbrance Number		
Company Blissway Inc.	Agreement Performance Beginning Date The Effective Date		
Agreement Authority CRS §43-1-106	Initial Agreement Expiration Date June 1, 2021		
Agreement Purpose The Parties desire to implement the Phase 1 of a pilot program. This Phase 1 consists of testing the Company’s Wireless Autonomous Lane Enforcement (WAL-E) roadside toll equipment technology, designed to enforce proper Express Lane usage via detection and recognition of license plate information and other vehicle fingerprints such as make or color (collectively, the “Work”).			
Exhibits and Order of Precedence The following Exhibits and attachments are included with this Agreement: <ol style="list-style-type: none"> 1. Exhibit A – Statement of Work <p>In the event of a conflict or inconsistency between this Agreement and any Exhibit or attachment, such conflict or inconsistency shall be resolved by reference to the documents in the following order of priority:</p> <ol style="list-style-type: none"> 1. Colorado Special Provisions in §12 of the main body of this Agreement. 2. The provisions of the other sections of the main body of this Agreement. 3. Exhibit A, Statement of Work. 			
Principal Representatives <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;"> For the State: Kelly Brown HPTE 2829 Howard Place, 5th Floor Denver, CO 80204 Kelly.brown@state.co.us (303) 512-4062 </td> <td style="width: 50%; border: none;"> For Company: Francisco Torrealba Fuenzalida Blissway Inc. 1817 Clark Ln. Redondo Beach, California 90278 francisco@blissway.com (424) 391-9602 </td> </tr> </table>		For the State: Kelly Brown HPTE 2829 Howard Place, 5 th Floor Denver, CO 80204 Kelly.brown@state.co.us (303) 512-4062	For Company: Francisco Torrealba Fuenzalida Blissway Inc. 1817 Clark Ln. Redondo Beach, California 90278 francisco@blissway.com (424) 391-9602
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THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT

Each person signing this Agreement represents and warrants that the signer is duly authorized to execute this Agreement and to bind the Party authorizing such signature.

COMPANY Blissway Inc.	STATE OF COLORADO Jared S. Polis, Governor Department of Transportation High Performance Transportation Enterprise
_____ By: Francisco Torrealba Fuenzalida, CEO Date: _____	_____ By: Nicholas J. Farber, Director Date: _____

1. **Parties**

This Pilot Agreement (“**Agreement**”) is entered into by and between the Company named on the Cover Page for this Agreement (the “**Company**”) and the STATE OF COLORADO acting by and through the High Performance Transportation Enterprise (“**State**”). Company and State agree to the terms and conditions in this Agreement. State and Company also may hereinafter be referred to individually as “**Party**” or jointly as “**Parties**”.

2. **Term and Effective Date**

A. **Effective Date**

This Agreement shall not be valid or enforceable until the date of execution by the Director of HPTE, or designee (“**Effective Date**”). State shall not be bound by any provision of this Agreement before the Effective Date or after the expiration or sooner termination of this Agreement.

B. **Initial Term**

The Parties’ respective performances under this Agreement shall commence on the Agreement Performance Beginning Date shown on the Cover Page for this Agreement and shall terminate on the Initial Agreement Expiration Date shown on the Cover Page for this Agreement (the “**Initial Term**”) unless sooner terminated or further extended in accordance with the terms of this Agreement.

C. **Early Termination in the Public Interest**

State is entering into this Agreement to serve the public interest of the State of Colorado as determined by its Governor, General Assembly, or Courts. If this Agreement ceases to further the public interest of State, State, in its discretion, may terminate this Agreement in whole or in part.

i. **Method and Content**

State shall notify Company of such termination in accordance with §8. The notice shall specify the effective date of the termination and whether it affects all or a portion of this Agreement, and shall include, to the extent practicable, the public interest justification for the termination.

ii. **Obligations and Rights**

Upon receipt of a termination notice for termination in the public interest, Company shall be subject to the obligations set forth in §6.

3. **Statement of Work**

The Parties shall complete the Work as described in this Agreement and in accordance with the provisions of **Exhibit A**.

4. **Statement of Costs, Risks and Liability**

Each Party shall bear all of the costs, risks, and liabilities and insurance incurred by that Party arising out of its obligations and performance under this Agreement. Neither Party shall have any right to reimbursement, payment, or other compensation of any kind from the other Party under this Agreement for those costs, risks or liabilities.

NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY UNDER ANY CIRCUMSTANCES FOR ANY ANTICIPATORY OR LOST PROFITS, LOST REVENUE, SPECIAL, CONSEQUENTIAL, PUNITIVE, EXEMPLARY, INCIDENTAL OR INDIRECT DAMAGES OF ANY KIND (COLLECTIVELY, “**NON-DIRECT DAMAGES**”) RESULTING FROM THE PERFORMANCE OR NON-PERFORMANCE OF ITS OBLIGATIONS UNDER THIS AGREEMENT EVEN IF THOSE NON-DIRECT DAMAGES ARE ATTRIBUTED TO BREACH OF THIS AGREEMENT, TORT, NEGLIGENCE, OR

OTHER CAUSE; AND EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF NON-DIRECT DAMAGES; AND EVEN IF, UNDER APPLICABLE LAW, NON-DIRECT DAMAGES ARE CONSIDERED DIRECT DAMAGES.

Notwithstanding anything contained herein to the contrary, nothing in the Agreement is intended to negate or address any liability of Company that may arise under the terms and conditions of any permit required to be obtained by Company in installing, operating, maintaining or removing any equipment, goods, and/or software relating to the Work.

5. **Breach of Contract**

If either Party shall fail to fulfill, in a timely and proper manner, its material obligations under this Agreement, or if either Party shall violate any of the material covenants, agreements, or stipulations of this Agreement (a “**Breach of Contract**”), the aggrieved Party shall provide written notice to the other Party. If the notified Party does not cure the Breach of Contract, at its sole expense, within thirty (30) days after the delivery of written notice, the aggrieved Party shall provide written notice to the breaching Party of such failure and in its discretion initiate the dispute resolution process in §7 or terminate the Agreement for convenience pursuant to §6.C.

6. **Remedies**

A. **State’s Remedies**

If Company is in breach under any provision of this Agreement and fails to cure such breach, State, following the notice and cure period set forth in §5, shall have all of the remedies listed in this section in addition to all other remedies set forth in this Agreement or at law. State may exercise any or all of the remedies available to it, in its discretion, concurrently or consecutively.

i. **Termination for Breach of Contract**

In the event of Company’s uncured breach, State may terminate this entire Agreement or any part of this Agreement. Company shall continue performance of this Agreement to the extent not terminated, if any.

a. **Obligations and Rights**

To the extent specified in any termination notice, Company shall not render further performance past the effective date of such notice. Upon termination, Company shall take timely, reasonable and necessary action to protect and preserve property in the possession of Company but in which State has an interest. At State’s request, Company shall return materials owned by State in Company’s possession at the time of any termination.

ii. **Remedies Not Involving Termination**

State, in its discretion, may exercise one or more of the following additional remedies:

a. **Suspend Performance**

Suspend Company’s performance with respect to all or any portion of the Work pending corrective action as specified by State. Company shall promptly cease performing Work in accordance with State’s directive.

b. **Removal**

Demand immediate removal of any of Company’s employees, agents, or subcontractors from the Work who State deems incompetent, careless, insubordinate, unsuitable, or otherwise unacceptable or whose continued relation to this Agreement is deemed by State to be contrary to the public interest or State’s best interest.

B. **Company’s Remedies**

If State is in breach of any provision of this Agreement and does not cure such breach, Company, following the notice and cure period in §5 and the dispute resolution process in §7 shall have all remedies available at law and equity.

C. Termination for Convenience

Either Party may terminate this Agreement for any reason. The Party choosing to terminate shall effect such termination by giving written notice of termination to the other Party and specifying the effective date thereof, at least twenty (20) days before the effective date of such termination.

7. Dispute Resolution

A. Initial Resolution

Except as herein specifically provided otherwise, disputes concerning the performance of this Agreement which cannot be resolved by the designated Agreement representatives shall be referred in writing to a senior departmental management staff member designated by the State and a senior manager designated by Company for resolution.

B. Resolution of Controversies

If the initial resolution described in §7.A fails to resolve the dispute within 10 Business Days, the matter shall be submitted jointly to the Company's and HPTE's Director of Operations or Executive Director for final resolution of the dispute or disagreement. If the Company and HPTE's Director of Operations or Executive Director are unable to resolve the dispute within a thirty (30) day period, this Agreement may be terminated by either Party upon written notice to the other Party. The Parties agree that participation in this administrative procedure shall be a condition precedent to the initiation of litigation, except in the case of an emergency or other conditions that entitle either Party to seek injunctive or emergency relief from a court of competent jurisdiction, in which no participation in the foregoing alternative dispute resolution process shall be required. "Business Days" means any day other than Saturday, Sunday, or a legal holiday as listed in §24-11-101(1), C.R.S.

8. Notices and Representatives

Each individual identified as a Principal Representative on the Cover Page for this Agreement shall be the principal representative of the designating Party. All notices required or permitted to be given under this Agreement shall be in writing, and shall be delivered **(A)** by hand with receipt required, **(B)** by certified or registered mail to such Party's principal representative at the address set forth on the Cover Page for this Agreement or **(C)** as an email with read receipt requested to the principal representative at the email address, if any, set forth on the Cover Page for this Agreement. If a Party delivers a notice to another through email and the email is undeliverable, then, unless the Party has been provided with an alternate email contact, the Party delivering the notice shall deliver the notice by hand with receipt required or by certified or registered mail to such Party's principal representative at the address set forth on the Cover Page for this Agreement. Either Party may change its principal representative or principal representative contact information, or may designate specific other individuals to receive certain types of notices in addition to or in lieu of a principal representative by notice submitted in accordance with this section without a formal amendment to this Agreement. Unless otherwise provided in this Agreement, notices shall be effective upon delivery of the written notice.

9. Rights in Work Product and Other Information

A. Exclusive Property of the State

Except to the extent specifically provided elsewhere in this Agreement, all State Records, documents, text, software (including source code), research, reports, proposals, specifications, plans, notes, studies, data, images, photographs, negatives, pictures, drawings, designs, models, surveys, maps, materials, ideas, concepts, know-how, and information provided by or on behalf of State to Company are the exclusive property of State (collectively, "**State Materials**"). Company shall not use, willingly allow, cause, or permit State Materials to be used for any purpose other than the performance of Company's obligations in this Agreement without the prior written consent of State. Upon termination of this Agreement for any reason, Company shall provide all State Materials to State in a form and manner as directed by State.

B. Exclusive Property of Company

Company retains the exclusive rights, title, and ownership to any and all materials owned or licensed to Company including, but not limited to, all software, licensed products, associated source code, machine code, text images, audio and/or video, and third-party materials, delivered by Company under the Agreement (collectively, “**Company Property**”). If required, Company Property shall be licensed to State as set forth in this Agreement or a State approved license agreement: (i) entered into as exhibits to this Agreement; (ii) obtained by State from the applicable third-party vendor; or (iii) in the case of open source software, the license terms set forth in the applicable open source license agreement.

10. Insurance

Company shall obtain and maintain, and ensure that each subcontractor (if any) shall obtain and maintain, insurance as specified in this section at all times during the term of this Agreement. All insurance policies required by this Agreement shall be issued by insurance companies as approved by the State.

A. Workers' Compensation

Workers' compensation insurance as required by state statute, and employers' liability insurance covering all Company or subcontractor employees acting within the course and scope of their employment.

B. General Liability

Commercial general liability insurance covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows:

- i. \$1,000,000 each occurrence;
- ii. \$1,000,000 general aggregate;
- iii. \$1,000,000 products and completed operations aggregate; and
- iv. \$50,000 any one fire.

C. Automobile Liability

Automobile liability insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of \$1,000,000 each accident combined single limit.

D. Additional Insured

The State shall be named as additional insured on all commercial general liability policies (leases and construction contracts require additional insured coverage for completed operations) required of Company and subcontractors.

E. Primacy of Coverage

Coverage required of Company and each subcontractor shall be primary over any insurance or self-insurance program carried by Company or the State.

F. Cancellation

The above insurance policies shall include provisions preventing cancellation or non-renewal, except for cancellation based on non-payment of premiums, without at least 30 days prior notice to Company and Company shall forward such notice to the State in accordance with §14 within seven days of Company's receipt of such notice.

G. Subrogation Waiver

All insurance policies secured or maintained by Company or its subcontractors in relation to this Agreement shall include clauses stating that each carrier shall waive all rights of recovery under subrogation or otherwise against Company or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

H. **Certificates**

Company shall provide to the State certificates evidencing Company's insurance coverage required in this Agreement prior to the Effective Date. Company shall provide to the State certificates evidencing subcontractor insurance coverage required under this Agreement prior to the Effective Date, except that, if Company's subcontract is not in effect as of the Effective Date, Company shall provide to the State certificates showing subcontractor insurance coverage required under this Agreement within seven Business Days following Company's execution of the subcontract. No later than 15 days before the expiration date of Company 's or any subcontractor's coverage, Company shall deliver to the State certificates of insurance evidencing renewals of coverage. At any other time during the term of this Agreement, upon request by the State, Company shall, within seven Business Days following the request by the State, supply to the State evidence satisfactory to the State of compliance with the provisions of this section.

11. **General Provisions**

A. **Assignment**

Company's rights and obligations under this Agreement are personal and may not be transferred or assigned without the prior, written consent of State. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of the Company's rights and obligations approved by State shall be subject to the provisions of this Agreement.

B. **Binding Effect**

Except as otherwise provided in §11.A, all provisions of this Agreement, including the benefits and burdens, shall extend to and be binding upon the Parties' respective successors and assigns.

C. **Authority**

Each Party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such Party's obligations have been duly authorized.

D. **Captions and References**

The captions and headings in this Agreement are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions. All references in this Agreement to sections (whether spelled out or using the § symbol), subsections, exhibits or other attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

E. **Counterparts**

This Agreement may be executed in multiple, identical, original counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

F. **Entire Understanding**

This Agreement represents the complete integration of all understandings between the Parties related to the Work, and all prior representations and understandings related to the Work, oral or written, are merged into this Agreement. Prior or contemporaneous additions, deletions, or other changes to this Agreement shall not have any force or effect whatsoever, unless embodied herein.

G. **Digital Signatures**

If any signatory signs this Agreement using a digital signature in accordance with the Colorado State Controller Contract, Grant and Purchase Order Policies regarding the use of digital signatures issued under the State Fiscal Rules, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Agreement by reference.

H. Modification

Except as otherwise provided in this Agreement, any modification to this Agreement shall only be effective if agreed to in a formal amendment to this Agreement, properly executed and approved by all Parties.

I. Statutes, Regulations, Fiscal Rules, and Other Authority

Any reference in this Agreement to a statute, regulation, State fiscal rule, fiscal policy or other authority shall be interpreted to refer to such authority then current, as may have been changed or amended since the Effective Date of this Agreement.

J. External Terms and Conditions

Notwithstanding anything to the contrary herein, State shall not be subject to any provision included in any terms, conditions, or agreements appearing on Company's website or any provision incorporated into any click-through or online agreements unless that provision is specifically referenced in this Agreement.

K. Severability

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect, provided that the Parties can continue to perform their obligations under this Agreement in accordance with the intent of this Agreement.

L. Survival of Certain Terms

Any provision of this Agreement that imposes an obligation on a Party after termination or expiration of this Agreement shall survive the termination or expiration of this Agreement and shall be enforceable by the other Party.

M. Taxes

State is exempt from federal excise taxes under I.R.C. Chapter 32 (26 U.S.C., Subtitle D, Ch. 32) (Federal Excise Tax Exemption Certificate of Registry No. 84-730123K) and from State and local government sales and use taxes under §§39-26-704(1), et seq., C.R.S. (Colorado Sales Tax Exemption Identification Number 98-02565). State shall not be liable for the payment of any excise, sales, or use taxes, regardless of whether any political subdivision of State imposes such taxes on Company. Company shall be solely responsible for any exemptions from the collection of excise, sales or use taxes that Company may wish to have in place in connection with this Agreement.

N. No Third Party Beneficiary

Except for the Parties' respective successors and assigns described in §11.A, this Agreement does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Enforcement of this Agreement and all rights and obligations hereunder are reserved solely to the Parties. Any services or benefits which third parties receive as a result of this Agreement are incidental to this Agreement, and do not create any rights for such third parties.

O. Waiver

A Party's failure or delay in exercising any right, power, or privilege under this Agreement, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.

P. CORA Disclosure

To the extent not prohibited by federal law, this Agreement and the performance measures and standards required under §24-106-107, C.R.S., if any, are subject to public release through the CORA.

Q. Standard and Manner of Performance

Company shall perform its obligations under this Agreement in accordance with the highest standards of care, skill and diligence in the Company's industry, trade, or profession.

R. Licenses, Permits, and Other Authorizations

- i. Company shall secure, prior to the Effective Date, and maintain at all times during the term of this Agreement, at its sole expense, all licenses, certifications, permits, and other authorizations required to perform its obligations under this Agreement, and shall ensure that all employees, agents and subcontractors secure and maintain at all times during the term of their employment, agency or subcontract, all license, certifications, permits and other authorizations required to perform their obligations in relation to this Agreement.
- ii. Company, if a foreign corporation or other foreign entity transacting business in the State of Colorado, shall obtain prior to the Effective Date and maintain at all times during the term of this Agreement at its sole expense, a certificate of authority to transact business in the State of Colorado and designate a registered agent in Colorado to accept service of process.

S. Indemnification

i. General Indemnification

Company shall indemnify, save, and hold harmless the State, its employees, agents and assignees (collectively, the “**Indemnified Parties**”), against any and all costs, expenses, claims, damages, liabilities, court awards and other amounts (including attorneys’ fees and related costs) incurred by any of the Indemnified Parties in relation to any act or omission by Company, or its employees, agents, subcontractors, or assignees in connection with this Agreement.

ii. Intellectual Property Indemnification

Company shall indemnify, save, and hold harmless the Indemnified Parties, against any and all costs, expenses, claims, damages, liabilities, and other amounts (including attorneys' fees and costs) incurred by the Indemnified Parties in relation to any claim that any Work infringes a patent, copyright, trademark, trade secret, or any other intellectual property right.

12. COLORADO SPECIAL PROVISIONS (COLORADO FISCAL RULE 3-3)

These Special Provisions apply to all agreements except where noted in italics.

A. Fund Availability

Financial obligations of State after the current State fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

B. Governmental Immunity

Liability for claims for injuries to persons or property arising from the negligence of State, its boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the Colorado Governmental Immunity Act, §24-10-101, *et seq.*, C.R.S.; the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b), and State’s risk management statutes, §§24-30-1501, *et seq.* C.R.S. No term or condition of this Agreement shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, contained in these statutes.

C. Independent Contractor

Company shall perform its duties hereunder as an independent contractor and not as an employee. Neither Company nor any agent or employee of Company shall be deemed to be an agent or employee of State. Company shall not have authorization, express or implied, to bind State to any agreement, liability or understanding, except as expressly set forth herein. Company and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through State and State shall not pay for or otherwise provide such coverage for Company or any of its agents or employees. Company shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Agreement. Company shall (i) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (ii) provide proof thereof when requested by State, and (iii) be solely responsible for its acts and those of its employees and agents.

D. Compliance with Law

Company shall comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

E. Choice of Law, Jurisdiction and Venue

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Agreement. Any provision included or incorporated herein by reference that conflicts with said laws, rules, and regulations shall be null and void. All suits or actions related to this Agreement shall be filed and proceedings held in the State of Colorado and exclusive venue shall be in the City and County of Denver.

F. Prohibited Terms

Any term included in this Agreement that requires State to indemnify or hold the Company harmless; requires State to agree to binding arbitration; limits the Company's liability for damages resulting from death, bodily injury, or damage to tangible property; or that conflicts with this provision in any way shall be void ab initio. Nothing in this Agreement shall be construed as a waiver of any provision of §24-106-109 C.R.S.

EXHIBIT A – STATEMENT OF WORK

1. Purpose

HPTE is entering into this Agreement with Blissway Inc. (“**Blissway**”) for Phase 1 of a pilot program. Phase 1 consists of testing the Company’s Wireless Autonomous Lane Enforcement (WAL-E) roadside toll equipment technology, designed to enforce proper Express Lane usage via detection and recognition of license plate information and other vehicle fingerprints such as make or color (collectively, the “**System**”). In exchange for the opportunity to demonstrate the capabilities of the System, Blissway shall provide the Work to HPTE at no cost.

2. Blissway Responsibilities

Blissway is responsible for obtaining any permits necessary to implement and complete the Work pursuant to this Agreement and will coordinate with HPTE on all matters. Blissway shall provide all oversight, direction and resources for all Work, as directed by HPTE or CDOT.

The Work shall include:

A. Activity #1 – Bracket testing

- Tasks include installation of the following equipment:
 - (1) Mounting hardware

B. Activity #2 – Camera technology testing

Blissway shall install Wireless Autonomous Lane Enforcement (WAL-E) camera prototypes along the I-70 Mountain Express Lane corridor.

- For the placement of such cameras, Blissway shall take into consideration the following: safety of motorists and workers, Company and State personnel, cellular signal strength, and test experiments.
- Installation tasks include the installation the following equipment:
 - (1) Cameras
 - (2) Mounting hardware
- Cameras shall be placed approximately 1,000 feet from each other, in the median and protected by the roadway’s guardrails.
- During the implementation, Blissway shall:
 - (1) Install up to 6 cameras;
 - (2) Connect power and communication to the System;
 - (3) Align and configure all System components;
 - (4) Conduct installation and checkout test procedures using test vehicles provided by Blissway;
 - (5) Test connectivity to all installed components; and
 - (6) All installation is scheduled to be completed within a single 5-hour period, notwithstanding Region 1 and FHWA’s construction schedule and procedures which may require additional diligence.

Colorado I-70 Pilot Phase 1

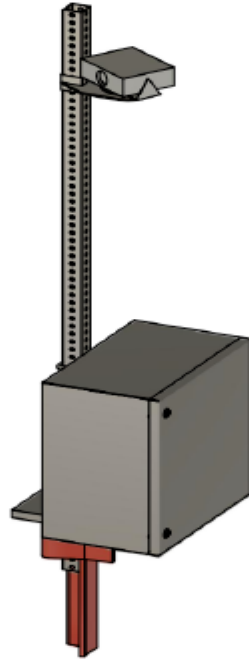


Figure 1: Wireless Autonomous Lane Enforcement (WAL-E) camera prototype



Figure 2: Aerial view of WAL-E prototype



Figure 3: WAL-E prototypes deployment locations



Figure 4: WAL-E location 1 (39°45'48.26"N, 105°38'18.49"W)



Figure 4: WAL-E location 2 (39°45'46.43"N, 105°38'28.56"W)



Figure 5: WAL-E location 3 (39°45'44.32"N, 105°38'39.76"W)

3. General Blissway Activities

- A. Installation activities will be completed by Blissway technicians and engineers.
- B. Blissway will contract with a Colorado licensed electrical contractor, for all work with a supply voltage of 240V or greater during the installation activity described within.
- C. Blissway will provide all installation components required to provide power to the System.
- D. Installation/tuning will be planned to be performed during mutually agreed hours, subject to CDOT and FHWA approval. Blissway personnel and subcontractors have agreed to perform installation and tuning during overnight hours if the impact of the Work on the roadway is deemed significant during the week and/or weekends.
- E. Images will be analyzed using Blissway's proprietary algorithms to determine license plates and other vehicle fingerprints such as make or color.
- F. Data collection and analysis will commence immediately upon completion of all installation and testing tasks.
- G. During the implementation, Blissway will:
 - Park any equipment in a protected area designated by HPTE and CDOT; and
 - Set up, calibrate, and train the System software.

4. HPTE Responsibilities

HPTE will:

- A. Assist Blissway to obtain any permits necessary to conduct the Work.
- B. Assist in providing access to required State equipment/property for the Work.
- C. Provide Blissway with periods of time of lane closures for Blissway to perform the Work, if deemed necessary and subject to FHWA and CDOT approval.

5. Decommissioning

- A. System implementation shall not exceed a period of 180 days (the “**Test Period**”).
- B. HPTE, in its sole discretion, shall provide forty-five (45) days’ notice to Blissway to remove the installed System.
- C. Decommissioning shall comply with FHWA and CDOT Region 1 guidelines.
- D. At the end of the Test Period, HPTE may, in its sole discretion, allow the pilot to run for additional time.
- E. All test equipment and cabling shall be removed from the site and site remediation shall return the site to its original condition.

6. Test Results Analysis

A. Image Storage

- Images will be stored for the duration of the Agreement and for 60 days post completion of the data gathering phase in unredacted form.

B. Classification

- Images will be classified into various categories, as requested by HPTE.

7. **Schedule**

Blissway will coordinate with CDOT/HPTE in installing and testing the System. Start date and time will be mutually agreed to by CDOT/HPTE and Blissway. Blissway will provide adequate notice to CDOT/HPTE for scheduling of its responsibilities. Current schedule is estimated to be as follows, subject to approval:

Calibration Period between the Effective Date and October 31, 2020. Starting November 1, 2020, Blissway will start sharing the collected data with HPTE.

8. **Documentation**

To assist in the installation and planning for the Work, Blissway will provide the following documentation to CDOT/HPTE for review:

- A. Overall installation schematic diagram for project sites prior to installation.
- B. Dashboard of Pilot Findings - Initial results approximately 90 days after installation of the System. Results will show:
 - KPIs of uptime
 - License plate reading accuracy