MAIN CONTRIBUTORS TO THE DEBT

Vehicle Acquisitions Model
- Vehicle price inflation
- Outdated recovery rates

Fuel
- Volatility of fuel prices and static recovery rates

Maintenance
- Outsourced management of private maintenance vendor network
- Inflated labor and parts rates
DEBT CONTRIBUTOR: VEHICLE ACQUISITION

- Enterprise Rental Pilot
  - Update – On Demand Motor Pool
- Request for Proposal (RFP)
  - Update – Begin Leasing pilot spring 2017
- Internal process changes to reduce the vehicle acquisition need (i.e. better utilization)
  - Update – Larger Scale Telematics Pilot
Current and in process efforts will result in removing close to 100 vehicles.

20 agencies currently using the program.

Future analysis at UDOT Regions 1, 2, and 3; Ogden Regional and Provo Regional Center.
Contract was signed on August 1, 2016.
Approximately 350 vehicles will be leased instead of purchased.
Vehicle replacement list is currently being developed.
Vehicle orders are made during the first quarter of 2017.
Purchased and Leased vehicles will be delivered spring of 2017 through the summer of 2017.
Analysis of the leased group of vehicles will be conducted prior the next order cycle in 2018.
Two options currently available on contract.
One year of testing on the units complete.
Agency customers have volunteered for the program.
Approximately 2,600 units will be installed on agency vehicles.

Expected Results
  ▪ Increases in utilization through better identification of underutilization.
  ▪ Reduction in costs related to fuel, maintenance and accidents.