

MAIN CONTRIBUTORS TO THE DEBT

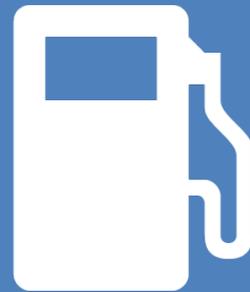
Vehicle Acquisitions Model

- 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- Outdated recovery rates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

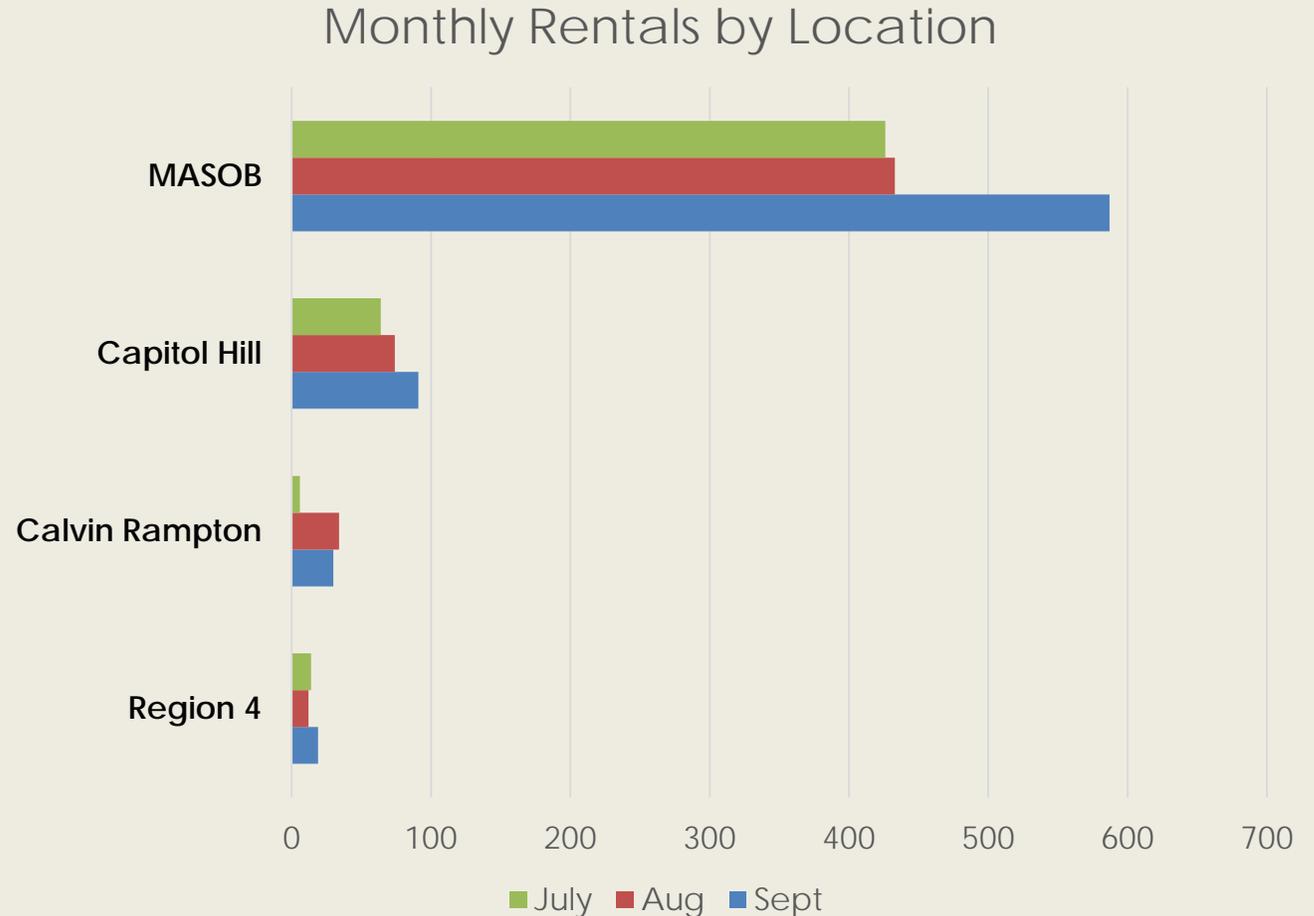


DEBT CONTRIBUTOR: VEHICLE ACQUISITION

- 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

ON DEMAND MOTOR POOL - UPDATE

- 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.



WHEELS, INC. CONTRACT - UPDATE

- 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.

TELEMATICS - UPDATE

- 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.