

Surplus Vehicles Policy

The PMD of the OOC is authorized by the Navajo Nation Budget & Finance Committee to sell surplus vehicles on a sealed bid basis. Sales are governed by the laws of the Navajo Nation and the proceeds from the surplus vehicle sales are credited to Fleet Management to purchase new vehicles or to a specific funding source as required by the respective grant agreement terms and conditions.

The PMD is authorized to use the National Automobile Dealers Association (NADA) Blue Book average trade-in value as the base value; deducts for mileage; adds the NADA value for 4-wheel drive, deducts for wear and tear to arrive at a minimum (threshold) fair value and adds 1.25% for a maximum value.

The Fleet Management Department issues vehicle condition reports that are for classification of mechanical operation only and do not warranty for purposes of any general or particular use and driving, which shall be the sole responsibility of the purchaser, who accepts the vehicle in its condition "as is." All sales are in "as is" condition and final.

Surplus vehicles are categorized into two condition groups: operational (numeric), non-operational (alpha). The condition report, the fair value, maximum value, vehicle number, and item number are displayed on the vehicles for sale.

- **Sale Notice** – The PMD posts the sale notice, provides 10 working days for inspection and bid submittals and schedules a time and date for bid opening. The notice consists of: item number, vehicle identification number (VIN), description (year, make, model), fleet number, mileage, fair value, the maximum value, and condition group. Upon bid opening, bids are sorted and tabulated from high to low bid. The results are posted at the PMD for viewing by bidders.
- **Bids** – Each bidder is only authorized to place two (2) bid forms. Bid forms submitted in excess of this limit will invalidate all bid forms. Bid forms shall be filled out completely and accurately. Incomplete and inaccurate bid forms will be rejected. Rejected bids are not negotiable. Further, bids are not transferable to other vehicles and not negotiable. When bids are unsealed from the bid box, changes to the bid forms are not permitted. Bid forms placed into the sealed bid box shall not be retracted for viewing, corrections or withdrawals.
- **Tied Bids** – In the event of a tie bid or successive ties, the PMD shall accept the bid of the bidder who submitted the bid first.
- **Sole Bid** - In the event of a sole bid received where the bid amount was below minimum price, the PMD can accept the sole bid. It may be the best interest of the Nation to sell the surplus vehicle even if it is below the minimum price considering the removal of the liabilities based on a cost-benefit analysis.
- **Payment** – Acceptable payments are money order or cashier's check only. Personal checks are not accepted. Successful bidders make payment at PMD. Cashier's checks and money orders shall be made payable to The Navajo Nation. Full payment in the prescribed method of payment is due within 24 hours after the bid results are posted. The PMD is authorized to notify the next high bidder when a bidder fails to pay the bid amount when due without recourse.
- **Title Transfer, Bill of Sale and Notary** – The PMD processes title transfer, bill of sale, and notary on all vehicles sold. There is no fee for the title transfer, bill of sale, and notary in the initial processing of forms. In the event of loss or change to original documents, the PMD is authorized to require a \$2.00 notary fee for document and a \$4.00 title duplicate fee. Title transfers are processed completely with all required information. The PMD is not authorized to release incomplete title transfers and bill of sale.
- **Sold Notice** – The PMD electronically transmits "Sold Notice" to Motor Vehicle Departments as required by State law for all vehicles sold. Buyers are responsible for fees and related costs for registering and titling vehicles in the required time allowed in his/her State of residence.