



Form No. PA001-006RE

Form Title : PROCUREMENT MANAGEMENT UNIT (PMU) REPORT

Pages 1

Prepared By : PROCUREMENT MANAGEMENT UNIT

Revision no:00
Issue Date: May 2023

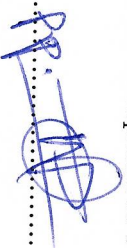
ACCOUNTING OFFICER'S APPROVAL AND DECLARATION FOR THE EVALUATION OF THE PROPOSAL FOR THE TANK FARM PHASE 2 PIPELINE UPGRADE FOR FERUKA DEPOT REF: NOIC/ME/PUA/03/2024(2)- DIRECT PROCUREMENT

I Wilfred Matukeni in my capacity as the Accounting Officer of the National Oil Infrastructure Company of Zimbabwe, (Private) Limited, (NOIC) do hereby approve the award for Tank farm phase 2 pipeline upgrade lot 2 for Feruka Depot to be awarded as follows:

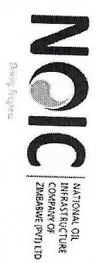
Description	Bidder	Initial Price	Negotiated Price
LOT 2: Tank farm plant automation for Feruka Depot	Harte Arbeit	676,430.00	666,283.55

I further support the retender of Lot 1 to allow for a competitive process as value for money could not be ascertained.

I therefore declare that I have duly supervised the evaluation analysis conducted by the Procurement Management Unit. I confirm that the evaluation was conducted in terms of the Public Procurement and Disposal of Public Assets Act, (PPDPA) and the Public Procurement and Disposal of Public Assets (General) Regulations, S.I. 5 of 2018.

Signature..... Date.....30/09/25.....

CHIEF EXECUTIVE OFFICER



Prepared By: PROCUREMENT MANAGEMENT UNIT

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PROCUREMENT MANAGEMENT UNIT'S (PMU) REPORT FOR THE EVALUATION OF THE PROPOSAL FOR THE TANK FARM PIPELINE UPGRADE PHASE 2 REF: NOIC/ME/PUA/03/2024(2) -DIRECT PROCUREMENT

FINDINGS

- The Evaluation Committee noted that two (2) bidders submitted their bids, two of them met the administrative requirements and proceeded to technical evaluation.
- After the technical evaluation all two bidders qualified for the financial evaluation.

Committee Recommendations

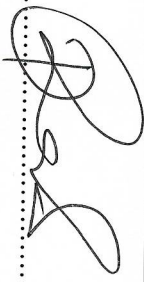
The committee recommended the proposal for Tank Farm Pipeline Upgrade Phase 2 Lot 1 be retendered through a competitive bidding method to enable validation of the pricing assumption. The committee recommended for tank farm pipeline upgrade phase 2 lot 2 be awarded to Harte Arbeit as follows:

Description	Bidder	Initial Price	Negotiated Price
LOT 2: Tank farm plant automation for Feruka Depot	Harte Arbeit	676,430.00	666,283.55

PMU RECOMMENDATIONS

The Procurement Management Unit supports the recommendation made by the committee to award Lot 2 and retender Lot 1. Lot 1 was awarded to Harte Arbeit as follows:

Description	Bidder	Initial Price	Negotiated Price
LOT 2: Tank farm plant automation for Feruka Depot	Harte Arbeit	676,430.00	666,283.55

P Kambarani..........Date: 23/9/25
Procurement Manager

MINUTES OF MEETING HELD BETWEEN NOIC AND HARTEARBEIT ENGINEERING ON THE 20th OF AUGUST 2025 .

PRESENT:

NAME	REPRESENTING
G Kanotangudza (Chairperson)	NOIC
C Mhizha	NOIC
B Njagu	NOIC
T. Mukono	NOIC
T. Chiwawarirwa	NOIC
N Nokukhanya	NOIC
T. Chikava	NOIC
T Murandu	Harte Arbeit Engineering
V Shadaya	Harte Arbeit Engineering

AGENDA

To negotiate for a price change for the Proposal For Tank Farm Pipeline Upgrade Phase 2 REF:NOIC/ME/PUA/03/2024(2)- Lot 2 works

proposal

WELCOME REMARKS

The Chairperson made some opening remarks and welcomed the members to the meeting.

The meeting started at 0945hours.

PROCEEDINGS FOR THE MEETING


- 1.1 Harte Arbeit Engineering's representatives was informed of the purpose of the meeting which was to try and bring the proposal

- align with the NOIC budget of USD500,000.00 and price to market-based price.
- 1.2** The team was advised of the decision to engage them by way of a Direct procurement given that they were engaged in the first phase of the project and all parties would benefit from the second phase of the project.
 - 1.3** NOIC advised Harte Arbeit Engineering's representatives that they had drawn comparison of their price of USD676,430.00 proposed and prices based on market.
 - 1.4** Harte Arbeit Engineering's representatives made remarks on the variance between their price of USD676,430.00 inclusive of VAT and the NOIC Budget of USD500,000 advising that it was not possible to close the gap. They advised that they had challenges in working on an operational plant resulting in them unexpectedly extending contract delivery timelines for which no one was in control of when they did phase 1 works. This resulted in them meeting unexpected labour and other costs.
 - 1.5** Harte Arbeit engineering's representatives advised that they have maintained phase 1 rates and increase in cost is as a result of increased project duration and additional hamer blind valves requested.
 - 1.6** NOIC Team deliberated on the price quoted by Harte Arbeit Engineering's representatives and advised the supplier that NOIC would not want to exceed their budget. On this basis the price negotiations bordered on bringing the price below the quoted price .
 - 1.7** NOIC team advised Harte Arbeit engineering's representatives that there is room for discount on BOQ lines for mobilization costs, control room works and mark up on equipment to be supplied.
 - 1.8** To that extent Harte Arbeit Engineering's representatives advised that they could revise the price and inform the meeting.
 - 1.9** Harte Arbeit engineering's representatives advised that the discount is not going to be much since the initial offer had no room for discount.
 - 1.10** The NOIC Team recommended that the award be granted to Harte Arbeit Engineering as per their revised quotation of USD\$666,283.55. (VAT inclusive) advised.

There being no further business to discuss, the meeting ended at 1010hours.

Certified to be a true record of what transpired.

G Kanotanguza.....Date: 20 August 2025
(Chairperson)

Form No. PA 002-1RE 	Form Title : Proposal Minutes	Pages: 1 of 1
	Prepared by : Procurement Manager	Revision : 00 Issue Date : March 2018

CONFIDENTIAL REPORT ON EVALUATION OF THE PROPOSAL FOR TANK FARM PIPELINE UPGRADE PHASE 2
REF:NOIC/ME/PUA/03/2024(2)-DIRECT PROCUREMENT

Committee Members

G Kanotangudza (Chairperson)	Duly appointed by the Chief Executive Officer W. Matukeni
B Njagu (Bid Initiator)	
N Nyoni (Financial Advisor)	
T Mukono (Legal Advisor)	
B Guraukama (PMU Representative)	

Background

- The tender was advertised on the 20th of June 2025 in the Government Gazette and the same date in the National News Paper. Bidders downloaded the proposal document from the website. The tender closed on the 05th of August 2025.
- There were two (2) bids received for this proposal as follows: -

Declaration of Interest

- Members present declared a nil interest in all bids received.

Procedure

- The Committee evaluated using the evaluation criteria stated in the RFP document.
- Bids were evaluated using the following methodology: -
 - **Preliminary examination** to confirm that all documents required have been provided, to confirm the eligibility of Bidders in terms of section 28(1) of the Regulation and to confirm that the Bid is administratively compliant in terms of section 28 (2) of the Regulation.
 - **Technical evaluation** to determine their substantial responsiveness to the specifications in the Statement of Requirements;
 - **Financial evaluation** and comparison to determine the evaluated price of Bids and to determine the lowest price evaluated

Bid,

Below are the results of the preliminary examination:

RESULTS OF PRELIMINARY EXAMINATION

Bid Reference	Bidder's Name	Bid Securing Declaration	Bid Validity	Tax Clearance	NSSA Clearance	CR14 and Certificate of Incorporation	Litigation History	Completed and signed Annexures	Company Profile	Bid Price
1	Stubbs Engineers	Provided	90 days	Provided	Provided	Provided	Provided	Provided	Provided	US\$941,878.41
2	Harte Arbeit	Provided	90 days	Provided	Provided	Provided	Provided	Provided	Provided	US\$676,430.00

Findings

All bidders met the administrative requirements and proceeded to technical evaluation.

TECHNICAL EVALUATION

The following table summarises the Bidder's submissions and the specified parameters:

KEY

- C - Compliant to specified requirement
- NC - Non-compliant to specified requirements

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Lot 1 - Pipeline upgrade and diffuser installation

WEIGHTED CRITERIA	Stub engineers
Technical Specification-The extent to which the Bidder's solution satisfies the requirements for tank farm pipeline upgrade and plant automation • Drawing pipe support • Material data sheet for the pipes • Diffuser drawing	C
Key project personnel Attach resumes and competence certificates for the following <ul style="list-style-type: none"> • Project supervisor – an experienced engineer • Class 1 fitter • Coded welder 	C
Gantt chart Attach Gantt chart for the project with highlighting key deliverables	C
Delivery period Within 8 calendar months	C
Financials	941,878.41

Technical evaluation criteria - Lot 2

Instrumentation and control works for NOIC Feruka depot

WEIGHTED CRITERIA	Harte Arbeit
<p>Technical Specifications</p> <p>Technical Specification-The extent to which the Bidder's solution satisfies the requirements for phase 2 tank farm pipeline upgrade and plant automation Feruka depot</p> <ul style="list-style-type: none"> • Attached data sheets meeting specifications • Actuators • Valves • PLC controller 	C
<p>Key project personnel</p> <p>Attach resumes and competence certificates for the following</p> <p>Brief resume to show relevant projects conducted by the team</p> <ul style="list-style-type: none"> • Project supervisor – Instrumentation and Control engineer (• Class 1 fitter • Instrumentation technician class 1 	C
<p>Warranty on all products/equipment</p> <p>At least 18 months</p> <p>Each bidder to confirm – failure shall lead to bid rejection</p>	C
<p>Factory acceptance testing (FATs) at the original equipment manufacturer's premise shall be conducted on the actuated valves</p> <p>Confirmation mandatory</p>	C
<p>Gantt chart</p> <p>Attach Gantt chart for the project with highlighting key deliverables</p>	C

Delivery period	C
Within 8 calendar months	
Each bidder to confirm – failure shall lead to bid rejection	
Bidder to state delivery period in their bid	
Financial	676,430.00

Actuator and Valve specifications

Item No	Item description and full technical Specification required	Harte Arbeit
	PARAMETER DESCRIPTION	VALUE/SPECIFICATION
1	Type and Size (Valve)	10 Inch Ball valve C
2	Temperature	The actuators shall be capable of functioning in an ambient temperature ranging from -20 degrees Celsius to + 60 degrees Celcius. C
3	Electric motor	The electrical motor shall be squirrel-cage, low inertia high torque design, F Class insulated with temperature rise limited to class B, 15 minutes time rating. Motor shall be of sufficient size to open and close the valve when voltage to motor terminals is within ±10% of rated voltage. 2 Nos thermostitch embedded of stator winding for protection against burnout. Electrical and C

		mechanical disconnection of the motor should be possible without draining the lubricant from the actuator gear case.	
4	Motor protection	General stop mode, Over temperature, Lost phase protection, Automatic phase rotation correction,	C
5	Gearing	The actuator gearing shall be totally bathed in an oil filled gear case suitable for operation at any angle. All drive gearing and components must be of metal construction with lost-motion hammer blow feature.	C
6	Hand operation	A hand wheel shall be provided for emergency operation, engaged when the motor is declutched by a lever or similar means, and automatically restored to electric operation when starting the motor.	C
7	Remote valve position / actuator status indication	a) Valve opening, closing or running b) Valve reach open limit position, close limit position or middle position c) Motor over temperature d) Torque sensor error e) CPU over temperature f) Lost phase g) Torque tripped in close, open, any position or middle travel h) Motor stalled i) Low battery j) Actuator being operated by hand wheel k) Running blink l) Open, close interlock m) ESD signal n) Actuator at local or remote state o) 24V error p) Actuator is inspecting q) Motor running r) Integrated error	C
8	Signal	4-20 mA(4 wire system)	C
9	Valve jammed	With valve jammed protection	C
10	Explosion	EX rated	C
11	Start-up kit	Every actuator shall be supplied with a start-up kit comprising of operation instruction manual, electrical wiring diagram and cover seals during the commissioning period. In addition, sufficient actuator commissioning tools	C

	<p>shall be supplied to enable actuator set up and adjustment during valve / actuator testing and site installation commissioning. Attach data sheets and drawing in the bid proposal</p>	
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FINANCIAL EVALUATION

Description	Bidder	Price USD\$
LOT 1- Tank farm inlet pipeline upgrade for Feruka depot	Stubs Engineering	941,878.41
LOT 2- Tank farm plant automation for Feruka depot	Harte Arbeit	676,430.00
		1,618,308.41

Findings

The Committee noted that there was need for negotiation since the bidders were engaged via direct procurement. The procurement departed was tasked to call for a negotiation meeting with the value for money as a guide.

VALUE FOR MONEY REPORT

PROCUREMENT REFERENCE NUMBER: NOIC/ME/PUA/03/2024 FERUKA DEPOT PIPELINE UPGRADE AND AUTOMATION

LOT 1 - Inlet Pipeline upgrade and installation of Inlet Diffusers

Scope of work

1. Inlet pipeline upgrade

The engaged contractor shall supply and install 1500 meters in length of 10 Inch schedule 40 petroleum pipes. The works shall involve pipe support fabrications and installation and provision of installation accessories.

2. Inlet diffusers installations

Inlet diffusers shall be installed on 3 tanks. The works involve design, fabrication and installation of diffusers on the listed tanks in the RFP document.

3. Civil works and installation accessories

The works includes construction of pipe supports bases, road crossing and making good, damaged infrastructure. Gaskets and manual valves shall be supplied under Lot 1.

The engaged contractor shall supply all the materials, tools, lifting equipment, test tools, third part inspectors and labour for the works.

4. Installed Pipeline integrity tests (Hydrotests)

The pipeline shall be hydrotested and the test equipment shall be provided by the engaged contractor.

5. Non destructive tests (NDTs)

A third party shall be engaged to conduct NDTs on the welded points on the installed pipeline.

Following is the tabulated outcome of the due diligence exercise: -

TO : CHIEF EXECUTIVE OFFICER
: OPERATIONS DIRECTOR
: ENGINEERING MANAGER
: PROCUREMENT MANAGER
FROM : MAINTENANCE AND PROJECTS ENGINEER
DATE : 19 MARCH 2025
**SUBJECT : REQUEST FOR DIRECT PROCUREMENT ENGAGEMENT -FERUKA DEPOT
TANK FARM PIPELINE UPGRADE AND PLANT AUTOMATION PHASE 2
PROJECT**

Kindly review and consider the request for direct procurement engagement of Stubs engineers Pvt Ltd and Harte Arbeit Pvt Ltd for the implementation of phase 2 of Feruka depot tank farm pipelines upgrade and plant automation.

The engagement request of the two contractors is in line with Section 33b and (d) of the PPDPA Act which provides for direct engagement of additional supplies of goods or services by a supplier where a change of supplier would cause problems of inter- changeability or incompatibility with existing equipment or discontinuity of services, which would cause significant inconvenience or substantial duplication of costs to the procuring entity.

BACKGROUND

The organization embarked on a project to upgrade Feruka depot under phase 1 with the works awarded to Stub Pvt Ltd (Lot 1) and Harte Arbeit (Lot 2) Pvt ltd . The project objective is to allow Feruka depot to receive product into the storage tanks at high flow rate (650m³/hr max) matching the recently upgraded Beira - Feruka pipeline flowrates . The plant automation is involving removal of manual operation of valves and other depot manual operations . The works for the plant upgrade were split into phase 1 and Phase 2 to allow for adequate scoping and efficient capital budgeting. The works under phase 1 are progressing well and are still within the agreed timelines.

PHASE 2

The scoping of phase 2 is now complete which is basically an extension of phase 1 targeting additional tanks in the tank farm. As we implement 2025 budgeted projects, it is recommended that the same contractors be engaged for the second phase of the project for the following understated reason:

1. Equipment uniformity and compatibility of mainly electrically actuated valves will be maintained, which in turn enables higher operating and maintenance efficiency and optimization of spares holding.
2. Easy of integration of control system from the additional tankage and pipeline onto the already installed PLC/SCADA system under phase 1 will be achieved, since no new different software and/or licences will be required. Different contractor interface works cooperation challenges will be avoided. PLC programming format will be maintained.
3. Operations and control philosophy will be maintained without potential conflict.
4. For overall warranty purposes, it is ideal to maintain same Contractor/Sub-Contractor as we are currently in the defects liability period for Phase 1. This maybe affected by bringing in a new contractor who may bring in new equipment which nullifies the existing defects liability conditions.
5. The Contractors implementing phase 1 still have their specialized construction equipment on site, consequently site mobilization will be facilitated without any delay problems and avoiding duplication of costs.
6. The Contractors are also satisfactorily executing Phase 1 and are thus well familiarized and experienced to undertake and complete Phase 2, including working in zone 0/1 environments that have live operations. NOIC is in a strong position to engage the current Contractor/Sub Contractor for to apply Phase 1 rates for Phase 2 so that value for money is maintained. Direct procurement allows for price negotiation on the initially submitted project rates.

Harte Arbeit and Stub engineering Pvt Ltd as highlighted hereto are recommended for direct engagement in line with Section 33(d) of the Public Procurement and Disposal of Public Assets Act

Regards



B Njagu

Recommended/ Not Recommended.....

ENGINEERING MANAGER

Date :.....
19/3/25

Recommended/ ~~Not Recommended~~:



OPERATIONS DIRECTOR

Date: 19/03/25

Recommended/ ~~Not Recommended~~:



PROCUREMENT MANAGER

Date: 20/03/25

Approved/ ~~Not Approved~~:



CHIEF EXECUTIVE OFFICER

Date: 20/03/25