
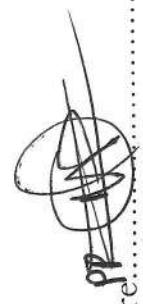


<b>Form No. PA001-006RE</b>	Form Title : PROCUREMENT MANAGEMENT UNIT (PMU) REPORT	Pages 1
	<b>Prepared By :</b> PROCUREMENT MANAGEMENT UNIT	Revision no:00 Issue Date: May 2023

**ACCOUNTING OFFICER'S APPROVAL AND DECLARATION FOR THE EVALUATION OF THE TECHNICAL STAGE FOR THE ENGAGEMENT OF AN ENGINEERING CONSULTANT FOR THE DESIGN, TENDERING, SUPERVISION AND MANAGEMENT OF THE CONSTRUCTION OF THREE (3) BY 20 MILLION LITRES FUEL STORAGE TANKS AT FERUKA DEPOT: PROCUREMENT REFERENCE NOIC/ME/FST/69/2025**

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 the for the engagement of a Engineering Consultant for the design, tendering, supervision and management of the construction of three (3) 20million litres fuel storage tanks at Feruka Depot to **Hydro-Utilities Consulting Engineers** at a negotiated price of **US\$2,485.368.63**.

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.....

**CHIEF EXECUTIVE OFFICER**

Form No. PA001-006RE

**NOIC**

NATIONAL  
INTEGRATED  
CONSTRUCTION  
CORPORATION

Pages 1

Form Title: **PROCUREMENT MANAGEMENT UNIT (PMU) REPORT**

Revision no:00

Issue Date: May 2023

**Prepared By:** PROCUREMENT MANAGEMENT UNIT

**PROCUREMENT MANAGEMENT UNIT'S (PMU) REPORT FOR TECHNICAL EVALUATION STAGE FOR THE ENGAGEMENT OF AN ENGINEERING CONSULTANT FOR THE DESIGN, TENDERING, SUPERVISION AND MANAGEMENT OF THE CONSTRUCTION OF THREE (3) BY 20 MILLION LITRES FUEL STORAGE TANKS AT FERUKA DEPOT: PROCUREMENT REFERENCE NOIC/ME/FST/69/2025**

### FINDINGS

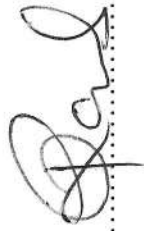
- The tender was shared with bidder on the 13<sup>th</sup> of February 2026 and closed on the 12<sup>th</sup> of March 2026.
- The bidders were engaged prior an expression of interest which was approved as a single sourcing method through SPOC Resolution 008 of January 5, 2026.
- There was one (1) bid received for this proposal.

### **COMMITTEE RECOMMENDATIONS**

The committee recommended the engagement of Hydro-Utilities as a consultant for the design, tendering, supervision and management of the construction of three (3) 20million litres fuel storage tanks at Feruka depot at a negotiated price of US\$2,485.368.63.

**PMU RECOMMENDATIONS**

The Procurement Management Unit supports the recommendation made by the committee for the engagement of Hydro-Utilities as a consultant for the design, tendering, supervision and management of the construction of three (3) 20million litres fuel storage tanks at Feruka depot at a negotiated price of US\$2,485.368.63.



P Kambarami.....

**Procurement Manager**

Date.....10/04/26



22 April 2026

Ref: PRAZ/C/23

Mr. W. Matukeni  
Director General

NATIONAL OIL INFRASTRUCTURE COMPANY OF ZIMBABWE

**RE: REQUEST FOR EXEMPTION FOR PAYMENT OF SPOC FEES ON THE ENGAGEMENT OF AN ENGINEERING CONSULTANT FOR THE DESIGN, TENDERING, SUPERVISION AND MANAGEMENT OF THE CONSTRUCTION OF THREE (3) BY 20 MILLION LITRES FUEL STORAGE TANKS AT FERUKA DEPOT TENDER NOIC/ME/FST/69/2025**

Your minute dated 16 April 2026, wherein you made representations with respect to the above matter, refers.

The Authority observed that the Accounting Officer was requesting for exemption from following the evaluation criteria set out in the Standard Bidding Document for the above tender, submitted for review by SPOC in terms of Section 54 (10) (c) of the Public Procurement and Disposal of Public Assets (PPDPA) Act [Chapter 22:23].

The Authority further observed that Hydro Utilities Consulting Engineers P/L, the sole bidder, failed to comply with the administrative requirement (Request for Proposal stage) with regards to SPOC Administration fees of US\$400.00 as required in the Request for Proposal Standard Bidding Document.

The Authority noted that SPOC resolution 0008 of 5 January 2026, "Certified" To the best of its knowledge and ability, that the Accounting Officer's proposed shortlist withstands scrutiny and Recommended that the Accounting Officer can shortlist and proceed to the Request for Proposal stage on Tender No. NOIC/ME/FST/39/2025 for Expression of Interest (EOI) For the Engagement of an Engineering Consultant for the Design, Tendering, Supervision and Management of the Construction of Three (3) by 20 million Litres Fuel Storage Tanks at Feruka Depot, as follows: -


No.	Bidder's Name	Comment
1.	Hydro- Utilities consulting engineers	Compliant. Recommended to proceed to the RFP Stage

9th Floor, Pearl House, 61 Samora Machel Avenue  
P.O. Box CY 408 Causeway, Harare, Zimbabwe  
reception@praz.org.zw/ enquiries@praz.org.zw  
+263 (242) 752 539-42, 753 132, 790 080  
+263 716 800 036  
VOIP: +263 8688 003 491/2  
www.praz.org.zw

The Authority noted that the request was motivated by the fact there was a sole bidder (Hydro Utilities Consulting Engineers P/L) recommended to proceed to the Request for Proposal stage through SPOC resolution 0008 of 5 January 2026 and as such, no other bidder would be prejudiced by proceeding to award where the non-compliance would be addressed at contract stage.

Accordingly, the Authority in terms of section 3(7) of the PPDA Act [Chapter 22:23], hereby exempts the Accounting Officer from following the evaluation criteria set out in the Standard Bidding Document by setting aside the requirement to pay SPOC fees due to fact that no other bidder will be prejudiced, on a non-precedence setting basis and that the matter will be addressed at contract negotiation.

Please be guided accordingly.

  
Dr. C. Ruswa

Chief Executive Officer

**PROCUREMENT REGULATORY AUTHORITY OF ZIMBABWE**

Operations: BS/TCC/OM



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PA 002-1RE

Form Title : Proposal Minutes

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Revision : 00

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TENDER REFERENCE	TENDER DESCRIPTION
NOIC/ME/FST/69/2025	TECHNICAL EVALUATION STAGE FOR THE ENGAGEMENT OF AN ENGINEERING CONSULTANT FOR THE DESIGN, TENDERING, SUPERVISION AND MANAGEMENT OF THE CONSTRUCTION OF THREE (3) BY 20MILLION LITRES FUEL STORAGE TANKS AT FERUKA DEPOT

#### Committee Members

C Tigere (Chairperson)	
B Njagu (Bid Initiator)	
C Mhizha (Bid Initiator)	
T Rusere (Financial Advisor)	Duly appointed by the Chief Executive Officer
B Guraukama (PMU Representative)	W. Matukeni
Tsitsi Mukono (Legal Advisor)	

#### Background

- The tender was shared with bidder on the 13<sup>th</sup> of February 2026 and closed on the 12<sup>th</sup> of March 2026.
- The procurement followed a single sourcing method approved under SPOC Resolution 008 of 5 January 2026. Only one bid was received from Hydro-Utilities Consulting Engineers. There was (1) bid received for this proposal.

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**Declaration of Interest**

- Members present declared a nil interest on 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:**


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**RESULTS OF PRELIMINARY EXAMINATION**

Item	Documents Required	Hydro-Utilities	Scoring
1	Valid tax clearance certificate	Provided	2
2	Valid NSSA Certificate	Provided	2
3	PRAZ Registration Certificate	Provided	2
4	SPOC Fees	Not compliant	0
5	Technical Proposal Submission Sheet	Provided	2
6	Financial Proposal Submission Sheet	Provided	2
7	Payment Terms	Provided	2
8	Total Project Costs	Provided	1
	<b>Total Score</b>		<b>13</b>

**Findings**

- Hydro-Utilities met the administrative requirements and proceeded to the technical evaluation stage.
- The Committee noted that the bidder failed to comply with the SPOC requirement. The bidder attached a SPOC Certificate for the EOI instead of for the RFP. In line with PRAZ Circular No. OPS/1 of 2023, the Evaluation Committee considered seeking a waiver from PRAZ (approval was sought through a letter to PRAZ dated 16April 2026). The Committee considered this non-compliance to be administrative and non-material, as it does not affect

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the bidder's technical capacity, financial competitiveness, or overall responsiveness and such a decision would not prejudice anyone as it was a single bid.


### 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 requirement

WEIGHTED CRITERIA	C/NC	Hydro-Utilities consulting engineers
<b>Bidder's Experience and Capacity</b> Detailed curriculum vitae of at least 4 key personnel showing proof of relevant qualifications, experience and valid professional board membership. Experience required shall be relevant experience in either petroleum industry/ or other industrial setup where liquids were involved. Key personnel shall state at least 2 projects of similar services in which they were part of the team on the same position. Experience in the construction of at least tanks. Bidder to submit Resume, Tertiary qualifications and Professional registration - Project Manager	C	30

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<ul style="list-style-type: none"> <li>- Lead Civil / Structural engineer</li> <li>- Lead Mechanical engineer</li> <li>- Lead Electrical and instrumentation Engineer</li> </ul>		
<p><b>Gantt Chart</b></p> <ul style="list-style-type: none"> <li>• Submit detailed Gantt Chart with activities from date of award of contract to completion. (Gantt Chart done in MS Project)</li> <li>• Delivery period shall be within 4 calendar months for design drawings submission – Gantt chart</li> </ul> <p>NB The consultant shall complete the services within 30 Calendar months from the effective date. Design and construction management.</p>	C	10
<p><b>Experience and Capacity</b></p> <p>At least 2 reference letters of the 3 submitted reference letters shall demonstrate capacity in project design and construction management in petroleum industry or liquid tank infrastructure specifically construction of tanks. The tank capacity shall be at least 10 million litres in capacity.</p>	C	25
<p><b>Project Organogram</b></p> <p>To submit suitable project organogram for a consultancy assignment covering design and management of 3 × 20,000 m<sup>3</sup> petroleum storage tanks.</p> <p>Showing clearly reporting lines, key positions, and names. The proposal shall demonstrate the consultant's capacity and proficiency in handling the project in terms of the consultant's present workload, commitments, and the availability of qualified personnel. This requires full disclosure of the consultant's current projects including their status and major reasons for projects that have surpassed their delivery timelines.</p>	C	10
<p><b>Methodology &amp; Technical Approach</b></p>	C	10

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<ul style="list-style-type: none"> <li>• Understanding of project scope and risks</li> <li>• Use of recognized software</li> <li>• 3D modelling capability</li> </ul>		
<b>Preliminary score</b>	<b>C</b>	<b>13</b>
<b>Technical Score</b>	<b>C</b>	<b>85</b>
<b>Overall</b>	<b>Compliant</b>	<b>98</b>
<b>Price (USD)</b>		<b>2,495,093.70</b>

### Findings

- The committee noted that Hydro-Utilities and Kantey & Templer Consulting Engineers submitted a reference letter from BP Southern Africa (Pvt) Ltd, demonstrating specific experience in the design and construction management of a tank with a capacity of at least 10 million litres as per RFP requirements. This submission was supported by completion certificates and the contract documentation for the BP Waltloo project. Furthermore, the tank construction project was included in the list of projects completed and submitted by Kantey & Templer Consulting Engineers.
- The committee also noted that Hydro-Utilities and Kantey & Templer Consulting Engineers submitted an additional reference letter from BP Southern Africa (Pvt) Ltd, outlining their general experience in the design and construction management of storage tanks. This submission was supported by a contract for the Beira Depot Upgrade Project. Furthermore, the Beira Depot Upgrade Project was included in the list of completed projects submitted by Kantey & Templer Consulting Engineers.

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- The committee noted that Hydro-Utilities and Kantey & Templar Consulting Engineers submitted a reference letter from Vopak Terminal Durban (Pty) Ltd confirming their experience in the design and construction management of six (6) new fixed-roof tanks. This submission was supported by a completion certificate.
- The Committee noted that Hydro-Utilities had surpassed the 80-pass mark and recommended to proceed to the financial evaluation stage.
- The Committee, however, recommended that due diligence visits be conducted with the referees, considering the magnitude and national importance of the project, as it forms part of the NDS2 National Projects. This process is intended to verify the projects referenced in the submitted letters

#### Financial Evaluation

Item	Project Cost - Basis	Price (USD)
1	Hydro- Utilities	2,495,093.70

- The committee noted that Hydro-Utilities quoted a total price of US\$2,495,093.70 and proceeded to make recommendations.

#### Findings


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- The committee recommended a market intelligence report be conducted to confirm the pricing through a value for money. The Committee further recommended a negotiation meeting be held with Hydro-utilities as the supplier was engaged via a single source method in terms of Section 65 of the Public Procurement and Disposal of Public Assets Act which gives room for the procuring entity to enter negotiations with the supplier.

### Value for Money

National Oil Infrastructure Company of Zimbabwe (NOIC) has a key strategic project of upgrading the pipeline capacity from Beira to Harare to 5 billion litres per year to meet its mandate of ensuring security of supply in the oil and gas sector through efficient and sustainable transportation, storage and redelivery service. A need has arisen at Feruka depot to expand the storage tanks with additional 3 x 20 million litre tanks to allow adequate handling of the upgraded capacity. The new additional tanks to be constructed will involve specialist works that include civil, electrical, mechanical and independent integrity test works. The major infrastructure project will result in the development of petroleum tanks with a capacity of 20 million litres each, representing the largest such installations in Zimbabwe to date. They will surpass the initial capacity of 12 million per tank holding capacity.

A value for money evaluation was conducted for Hydro-Utilities Consulting Engineers in partnership with Kantey and Templer Consulting Engineers (South Africa-based). The evaluation confirmed that the partnership offers strong technical and financial value, particularly due to Kantey and Templer's specialized expertise in the design of large-capacity fuel storage infrastructure. Their experience is especially relevant for the design of the three x 20-million-litre tanks required for the project. The partnership structure guarantees local knowledge combined with international best practice, balancing contextual understanding with advanced technical solutions.


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**Estimated Project Cost – Construction of 3 x 20 million litre capacity tanks and ancillary equipment**

<b>Item</b>	<b>Description</b>	<b>Quantity</b>
1	Ground preparation and demolition of existing tanks	1
2	Tank foundation and civils	3
3	20 000m <sup>3</sup> tank	3
4	Bund sealing	3
5	Pipework, valves and pumps	1
6	Electrical and instrumentation	1
7	Fire suppression system	1
8	Contingency	5%
<b>Total Cost (USD)</b> Extracted from the bid proposal		<b>34,288,527.00</b>

**Establishment of costs for consulting fees**

The best practice for establishing consulting fees for a project of this nature is to apply tariff guidelines for registered consulting engineers as prescribed by the Engineering Council of Zimbabwe (ECZ) and the Engineering Council of South Africa (ECSA). This approach ensures that the fees are fair, transparent, and aligned with industry standards. Given the involvement of a South African partner, adherence to both ECZ and ECSA guidelines provides a balanced and internationally consistent basis for determining appropriate consulting fees. The fees are based on the Cost of the Engineering works and depend on the project complexity, size, form and the time demand on the Engineer.


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- Data Availability and Investigations- the need for surveys (topographical and geotechnical). Geotechnical surveys are conducted by third parties, considering the sizes of the tanks , the tank foundations have to be designed properly.

**Hydro – utilities provided lump sum fee**

The Client requested that the design and construction management fees be structured and presented as a lump sum for the full duration of the project, with the objective of achieving cost savings and ensuring value for money. Percentage-based fees and time-based fees were considered less suitable, as they tend to favour the consultant and may not align with the Client’s need to operate within a constrained budget. The adopted approach therefore promotes greater cost certainty, transparency, and alignment with the Client’s financial objectives.

**Cost Build up submitted by Hydro – Utilities (Following page)**

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Item	Engineering Board	Governing Council	Percentage fee(%)	Est Cost (USD)	Project Cost (USD)	Consulting fees (USD)
1	Engineering Council of Zimbabwe (ECZ)	of ~ 10		34,288,527.00	34,288,527.00	<b>3,428,527.00</b>
2	Engineering Council of South Africa (ECSA)	of ~ 9		34,288,527.00	34,288,527.00	<b>3,085,967.00</b>

#### Fixed Fee or Lump Sum Basis

Hydro utilities submitted a lump sum-based fee which was developed from time basis projections of the sufficiently defined scope and project duration.

The consultancy fees covers a project duration of **30 months** and covers the design, tendering, supervision and management of the construction of the three (3) by 20 million litres fuel storage tanks.

Major costs drivers

- Scope and Complexity of the Project- the sizes of the tanks and technical design difficulty and the multidisciplinary requirements (civil, structural, mechanical, electrical). This has resulted more costs being allocated to the design component. The submitted organogram demonstrates the anticipated collaboration between the local and international experts.
- Project duration and geographical location

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### PROFESSIONAL FEES

Item	Description	No.	Unit	Amount
1	Tank	3	\$253,919.99	\$ 761,759.97
2	Bund Sealing	3	\$199,608.90	\$ 598,826.69
3	Tank Foundation	3	\$ 33,806.24	\$ 101,418.71
4	Tank Demolition	1	\$ 50,055.60	\$ 50,055.60
5	Pipework	1	\$ 60,774.54	\$ 60,774.54
6	E&I Works	1	\$ 60,000.00	\$ 60,000.00
7	Geotechnical studies	3	\$ 67,000.00	\$ 201,000.00
8	Topographical survey	1	\$ 40,000.00	\$ 40,000.00
7	Miscellaneous and contingencies	lot	\$ 88,488.78	\$ 88,488.78
	Sub total professional fees			\$ 1,962,324.29
	Add VAT			\$ 304,160.26
	<b>Grand Total Including Vat</b>			<b>\$ 2,266,484.55</b>

### DISBURSEMENTS

Item	Disbursement Description (inclusive of mileage, accomodation, flights and per diems)	No.	Unit	Amount
1	Head office - preliminary and Detailed Designs	sum	\$ 9,840.00	\$ 9,840.00
2	Tender Adjudication	sum	\$ 1,790.00	\$ 1,790.00
3	Construction contract administration	sum	\$ 76,300.00	\$ 76,300.00
4	resident site staff	sum	\$ 78,000.00	\$ 78,000.00
5	Resident site accomodation	sum	\$ 32,000.00	\$ 32,000.00
	Sub total Disbursements			\$ 197,930.00
	Add VAT			\$ 30,679.15
	<b>Grand Total Including Vat</b>			<b>\$ 228,609.15</b>

**Project Grand Total (Professional fees plus Disbursements)** **\$ 2,495,093.70**


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### Costs Summary

Item	Project Cost - Basis	Price (USD)
1	Hydro- Utilities -VAT incl	2,495,093.70
	<b>Effective funds for the project (VAT excl)</b>	<b>2,160,254.29</b>
2	Engineering Council of Zimbabwe (ECZ)- percentage fee based	3,428,527.00
3	Engineering Council of South Africa (ECSA)- percentage fee based	3,085,967.00

### Recommendation

Hydro-utilities Pvt Ltd.'s price was determined to be competitive based on the completeness of their proposal and their total offer of USD 2,485,368.63, which compares favourably with the prices computed based on percentage fees. Thereafter, a negotiation meeting was held between NOIC and Hydro Utilities to try and see if there any areas where the supplier can adjust to allow for a saving.

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**Committee recommendations**

The committee recommended the engagement of Hydro-Utilities as a consultant for the design, tendering, supervision and management of the construction of three (3) 20million litres fuel storage tanks at Feruka depot at a negotiated price of US\$2,485.368.63.

**Evaluation Committee Members Signed**

- C Tigere .....
- C Mhizha.....
- B Njagu .....
- T Rusere.....
- T Mukono .....
- B Guraukama .....



**Consulting Engineers**

Head Office: 140 Nelson Mandela Avenue, P.O. Box 5947, Harare, Zimbabwe

Tel: +263 (0)242 - 795252 / +263777306419

E: [info@hydro-utilities.co.zw](mailto:info@hydro-utilities.co.zw) and [mpalat@hydro-utilities.co.zw](mailto:mpalat@hydro-utilities.co.zw)

W: [www.hydro-utilities.co.zw](http://www.hydro-utilities.co.zw)

09 April 2026

The Procurement Management Unit  
**National Oil Infrastructure Company of Zimbabwe (Pvt.) Ltd**  
100 Leopold Takawira Street  
NOCZIM House  
**Harare**

**Design, Tendering, Supervision and Management of the Construction of Three (3) by 20 Million Litre Fuel Storage Tanks at Feruka Depot: Negotiation of the financial proposal**

Dear Sir/Madam,

We acknowledge and thank you for the time during the negotiation meeting held yesterday, 8<sup>th</sup> April 2026 at the Petrozim Line offices. We believe it was a fruitful discussion and we understand the need to negotiate and at the same time deliver a successful project.


With this in mind, we have sat down and discussed in detail with our team, and we have made some adjustments in our budget line items, particularly the section on tank demolitions. As such, we are pleased to revise our costings for the tank demolitions from USD\$50,000.00 down to USD\$41,635.60. We did consider reducing other line items but due to compounding factors and rates that have since gone up due to current global trends, we have focused on reducing just the tank demolitions costing.

Our revised total professional fees and reimbursable costs amount to **USD2,485,368.63** (including VAT). Based on preliminary estimates, the total construction cost is projected at USD 34,280,107 (excluding VAT). This figure is subject to refinement and may adjust slightly following final detailed designs.

We appreciate the opportunity to submit this revised and reduced offer and look forward to the possibility of working with you on this important project.

Sincerely,

**Mr. Tamsanqa Mpala**  
Principal Director,  
Hydro-Utilities Consulting Engineers (Pvt.) Ltd – Lead Consultant

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**Committee recommendations**

The committee recommended the engagement of Hydro-Utilities as a consultant for the design, tendering, supervision and management of the construction of three (3) by 20million litres fuel storage tanks at Feruka depot at a negotiated price of US\$2,485,368.63.

**Evaluation Committee Members Signed**

C Tigere .....  
 C Mhizha .....  
 B Njagu .....  
 T Rusere .....  
 T Mukono .....  
 B Guraukama .....