

**Project Name** | NA

**Date** | 3/6/2026

**To / Contact info** | BCWD Board of Managers

**Cc / Contact info** | Karen Kill, District Administrator

**From / Contact info** | Camilla Correll, PE

**Regarding** | 2026 EOR Rates and Retainer

## Background

EOR provides technical consulting services to the District through a series of two year contracts. The contract allows for an adjustment to billing rates at the midpoint of the contract.

## Proposed Rate Increase

EOR is proposing to increase its rates by approximately 4% for 2026 which is in line with the information provided in the 2026 Budget Recommendations and 2026 budget approved by the Board of Managers in December 2025.

EOR continues to use our “Preferred Rates” that we reserve for long-term clients. Among other long-term clients, these Preferred Rates are being used for watershed districts like Comfort-Lake Forest-Lake Watershed District, Carnelian-Marine-St. Croix Watershed District, and Prior-Lake Spring-Lake Watershed District.

EOR continually monitors market trends and overall costs with the intention of providing our clients with the best possible value. To recruit and maintain top individuals in the field we must keep up with the market which currently has a very high demand for water resource professionals and engineers. Inflation and cost-of-living increases over the last few years have been significantly higher than historical averages. We do feel that our hourly rates are cost competitive with our peers and the best value when considering the quality and efficiency generated from our experienced team and integrated approach to water resources.

Attached is an updated version of Exhibit 2 Hourly Fee Schedule which demonstrates the proposed changes for the rest of 2026. The monthly retainer increase for the rest of 2026 reflects the increase contained in the 2026 budget approved by the Board (4%). The 2026 retainer amount would go from \$10,576/month to \$10,999/month.

## Recommended Action

1. Authorize the administrator to amend, on advice of counsel, the agreement for engineering services to update the rates in accordance with the attached 2026 rate schedule for invoices beginning March 2026.

**EOR 2026 Hourly Fee Schedule**

<b><u>Classification</u></b>	<b><u>Hourly Rate (*)</u></b>
Professional 1 (Julia, Lau).....	\$134.00
Professional 2 (Jimmy Marty, Paul Nation, John Sarafolean).....	\$168.00
Professional 3 (Anne Wilkinson) .....	\$197.00
Professional 4 (Pat Conrad, Mike Majeski, Erik Megow) .....	\$227.00
Technician 1 .....	\$97.00
Technician 2 .....	\$116.00
Technician 3 .....	\$142.00
Project Principal (Camilla Correll).....	\$249.00
Senior Principal (Brett Emmons) .....	\$276.00
Support Staff .....	\$93.00
Permit Inspector .....	\$101.00

**Professionals:**

Includes licensed and nonlicensed engineers, landscape architects, geologists, scientists, surveyors, field professionals, and geospatial professionals with bachelor's or advanced degrees.

**Technicians:**

Work requires a combination of basic scientific knowledge and manual skills which can be obtained through two years of post high school education, such as is offered in technical schools, community colleges, or through equivalent on-the-job training.

**Principals:**

Officers and senior technical managers at the highest level of EOR staff classification performing technical and quality control supervision.

**Support Staff:**

Non-manual clerical work performed by office administrators, administrative assistants, bookkeepers, messengers, office helpers, and clerks.

**Additional Notes:**

- *Reimbursable expenses (Reproduction, Printing, Duplicating, Mileage at current government rates, DGPS equipment, field supplies, use/rental of special equipment, etc.) will be billed at cost.*
- *Subcontracted services will be billed at cost plus 15% to cover overhead expenses.*
- *Expert witness trial and deposition testimony will be billed at the above hourly rates times 1.5.*
- *Payment is due upon receipt of invoice. If the invoice is not paid within thirty (30) days after invoice date, Client will also pay a finance charge thereon of 1.5 percent or the maximum rate allowed by law, whichever is less, for each month thereafter or portion thereof that an invoice remains unpaid.*

(\*) Rates reviewed and adjusted on an annual basis.