



United States Department of the Interior

BUREAU OF RECLAMATION
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Sep 23, 2025

VIA ELECTRONIC MAIL ONLY

Memorandum

To: All Bureau of Reclamation Employees

From: Katie Bartojay

KATIE

Director, Technical Service Center BARTOJAY

Digitally signed by KATIE
BARTOJAY
Date: 2025.09.23 14:35:21
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Subject: Fiscal Year (FY) 2026 Rates and Projected FY 2027 Rates for Technical Service Center (TSC) Work

I am happy to be able to share some updated information prior to the start of the new fiscal year. Attached are the final FY 2026 TSC base billable labor rates, premium rates, and fees for unique services, interagency agreements, and interns. While these reflect a 26 percent (%) increase over FY 2025 due to rising indirect costs, they are reduced from the 33% increase initially shared on September 2, 2025. This reduction is based on the latest guidance from Reclamation's Assessment Rate Group (ARG) and provides some relief to the TSC client base from the original projections.

The TSC's Customer Review Board (CRB), representing most Reclamation clients, has been briefed and acknowledges the impact on project budgets and scope. The primary driver remains changes to Departmental (IIC), Bureau-wide (BIC), and Regional (RIC) indirect costs—external factors assessed through labor surcharges and beyond our control.

Despite these challenges, the TSC is committed to cost management and minimizing the financial burden on our clients. For FY 2026, we have reduced internal costs by lowering overhead allocations for management and training and cutting capitalized equipment expenses.

The FY 2026 base billable rates are shown in the table below.

Fiscal Year	Skill Level	Grades	Hourly Rate	Daily Rate
FY 2026	1	1–10	\$134	\$1,072
	2	11–12	\$180	\$1,440
	3	13–15	\$217	\$1,736

Service agreements in the Electronic Service Agreement Module (ESAM) with FY 2026 budgets already in place at the time of this labor rate update have been automatically adjusted to reflect the new rates. For direct charge agreements, this adjustment will result in an increased FY 2026 budget for the agreement scope. For funding agreements and agreements with other government agencies, staff days have been reduced to remain within the approved budget.

If either of these approaches do not align with your needs, please coordinate with your TSC Team Lead to determine the appropriate path forward and if a change order is needed.

Depending on the circumstances, these may include:

- an increase in funding to cover the higher rates (if additional funds are available),
- an extension of the project into the following fiscal year (if future-year funding is anticipated), or
- a reduction in scope to align with the existing budget.

TSC Team Leads should coordinate closely with their clients to determine the most appropriate course of action and initiate any required change orders to ensure project goals can still be met.

We sincerely appreciate your continued partnership and the strong support reflected in our current and projected workload.

If you have any questions, please contact Katie Bartojay, Director, at (303) 445-2374 or kbartojay@usbr.gov.

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**TECHNICAL SERVICE CENTER
FISCAL YEAR 2026 RATES AND FEES**

The TSC base rates for Fiscal Year (FY) 2026 and projected base rates for FY 2027 are shown in the following table. The TSC will continue charging for services using billable rates for three skill levels.

FY 2026/2027 TSC Base Billable Rates

Fiscal Year	Skill Level	Grades	Base Labor Billing Rate	
			Per Hour	Per Day
2026	1	1–10	\$134	\$1,072
	2	11–12	\$180	\$1,440
	3	13–15	\$217	\$1,736
2027	1	1–10	\$137	\$1,096
	2	11–12	\$184	\$1,472
	3	13–15	\$222	\$1,776

The TSC has premium rates to cover the costs of special services associated with some laboratory, field, and computing activities. A summary of the daily premium rates associated with these services is provided below.

FY 2026 TSC Premium Daily Rates

Org Code	TSC Group	Skill Level 1	Skill Level 2	Skill Level 3
8240	Sedimentation and River Hydraulics	\$1,096	\$1,464	\$1,760
8440	Power Systems Analysis & Controls	\$1,192	\$1,560	\$1,856
8450	Hydropower Diagnostics & SCADA			
8530	Concrete & Structures Lab	\$1,192	\$1,560	\$1,856
8540	Materials and Corrosion Lab			
8550	Geotechnical Lab and Field Support			
8560	Hydraulic Investigations and Lab Service			

The TSC charges fees to cover the costs of special services associated with some laboratory, field, and computing activities. A summary of these fees is provided below.

Org Code	Premium Service (or other added cost)	FY 2025 Service Fee
8110	Workstation fees for structural analysis	\$200/day
8190	Laboratory services for Water Treatment	5% of SA Labor
8200	USGS High performance Compute cost recovery	\$80 per estimated 1000 CPU hours; \$2110 per estimated 1000 GPU hours; and calculated storage fees
8320	Use of field equipment: Borehole cams, miscellaneous geophysical equipment, Trimble Global Positioning System (GPS), Precision Lightweight GPS Receivers (PLGRs)	\$400/day
8440	Workstation fees for power system analysis	\$200/day
	Testing and analysis field trips	\$1,000/trip
8450	Testing and analysis field trips	\$2,000/trip
8500	Specialized UAS equipment use	5% of SA (Cap of \$2,000)
8530 8540 8550 8560	Laboratory services for coatings, corrosion, and invasive species	5% of SA Labor
	Laboratory services for concrete and geotechnical	6% of SA Labor
	5-Million-Pound Test Machine	\$2,500/day
	Specialized laboratory/field equipment and software use	\$1,000/day
	Sample storage (climate-controlled)	\$4/ft ² /month
	Sample storage (humidity-controlled)	\$6/ft ² /month
	Testing and analysis field trips	\$2,000/trip
	Hydraulic laboratory infrastructure fee— space, equipment, and storage costs based on hydraulic model “footprint”	\$2.50/ft ² /month
	Laboratory tour/public outreach equipment and supplies	\$2,000/tour

The TSC also charges fees to cover the costs of some administrative services and interns as provided below.

Org Code	Administrative & Intern Fees	Fy 2025 Service Fee
8000	Intern fees for labor on service agreements	\$34/hour to \$55/hour \$272/day to \$440/day
8005	Experienced Services Program	Match Grant Amount
8172	Interagency Agreement Service Fee	5% of SA (Cap of \$15,000)

And finally, TSC will offer the services of temporary summer-hire students and technicians at a reduced rate of \$30/hour (\$240/day).