

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **May 13, 2009**

Great Lakes Dredge & Dock Corporation

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
Incorporation or Organization)

001-33225
(Commission File Number)

20-5336063
(I.R.S. Employer
Identification No.)

2122 York Road
Oak Brook, Illinois 60523
(Address of Principal Executive Offices)

(630) 574-3000
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02 – Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On May 13, 2009, the Compensation Committee of the Board of Directors of Great Lakes Dredge & Dock Corporation amended and restated the Great Lakes Dredge & Dock Company, LLC (the "Company") Annual Cash Bonus Plan (the "Bonus Plan"), effective as of January 1, 2009. The revisions to the Bonus Plan amend the Holiday Bonus Program, Performance Bonus Program and Senior Management Bonus Program.

The Senior Management Bonus Program is the only program under the Bonus Plan in which the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and Senior Vice Presidents are eligible to participate. Pursuant to the Senior Management Bonus Program, the Chief Executive Officer and Chief Operating Officer are eligible to receive 35%, 70% or 140% of his or her annual salary if the Company achieves 90%, 100% or 120%, respectively, of its annual budgeted dredging EBITDA. The Chief Financial Officer and Senior Vice Presidents are eligible to receive 23.75%, 47.5% or 95% of his or her annual salary if the Company achieves 90%, 100% or 120%, respectively, of its budgeted dredging EBITDA. To the extent that the Company achieves dredging EBITDA between the threshold levels set forth in the Bonus Plan, the bonus for the senior management participants is determined by interpolation. If the Company does not achieve 90% of its budgeted dredging EBITDA, the senior management participants are not eligible to receive a bonus pursuant to the Senior Management Bonus Program.

Prior to the amendment of the Bonus Plan, Senior Vice Presidents were not eligible to participate in the Senior Management Bonus Program. The amendment of the Bonus Plan did not modify the terms and conditions of the Senior Management Bonus Program as respects the Company's Chief Executive Officer, Chief Operating Officer or Chief Financial Officer.

The full text of the amended and restated Bonus Plan is attached as Exhibit 10.1 and is incorporated by reference into this Item 5.02.

Item 9.01 – Financial Statements and Exhibits

The following exhibit is furnished herewith:

10.1 Great Lakes Dredge & Dock Company, LLC Annual Incentive Plan, effective as of January 1, 2009.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GREAT LAKES DREDGE & DOCK CORPORATION

/s/ Deborah A. Wensel

Deborah A. Wensel
Senior Vice President
and Chief Financial Officer

Date: May 18, 2009

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EXHIBIT INDEX

<u>Number</u>	<u>Exhibit</u>
10.1	Great Lakes Dredge & Dock Company, LLC Annual Incentive Plan, effective as of January 1, 2009.

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GREAT LAKES DREDGE & DOCK COMPANY, LLC

ANNUAL CASH BONUS PLAN

*Amended and Restated Effective January 1, 2009***Purpose**

The Great Lakes Dredge & Dock Company, LLC (the “Company”) Annual Cash Bonus Plan (the “Plan”) is established to provide annual cash bonuses to employees of the Company upon satisfaction of certain performance criteria. Different bonus levels are utilized to compensate employees appropriately based on their ability to influence the profitability of the Great Lakes Dredge & Dock Corporation (the “Corporation”) and its subsidiaries.

Administration

The Plan is administered by the Corporation’s Compensation Committee of the Board of Directors (the “Compensation Committee”), which subject to its oversight may delegate responsibilities for administering the Plan to the Company’s Chief Executive Officer (“CEO”), Chief Operating Officer (“COO”) and Chief Financial Officer (“CFO”) (collectively, the “Management Committee”) to the extent such responsibilities do not relate to determining bonus awards for members of the Management Committee.

Eligibility for Participation

The Compensation Committee or the Management Committee, as applicable, in its sole discretion, shall designate each year those employees of the Company who shall participate in the Plan (the “Participants”). Except as otherwise set forth in an applicable employment agreement or similar arrangement, a Participant whose employment by the Company terminates for any reason during a calendar year performance period (a “Performance Year”) shall not be entitled to receive a bonus for such Performance Year and, following such termination, the Company shall have no further obligation hereunder to that Participant.

Determination of Bonus Awards

“Budgeted EBITDA” for purposes of the Plan is defined as the budgeted amount of earnings before interest, taxes, depreciation and amortization attributable to the Company’s dredging segment approved by the Board of Directors of the Corporation for each Performance Year. For determination of bonus awards, the Compensation Committee may in its sole discretion adjust actual EBITDA attributable to the Company’s dredging segment (“Actual EBITDA”) for any extraordinary or non-recurring items. All bonus awards shall be distributed to Participants by March 15 following the Performance Year in which they are earned.

Bonus awards are determined as follows:

1. Holiday Bonus Program – Annual holiday bonuses, if any, are payable to non-management employees. Awards are based solely on Company performance during a Performance Year. Holiday bonuses for a Performance Year are payable only if Actual EBITDA

equals or exceeds 70% of Budgeted EBITDA for such Performance Year. Each Participant eligible for an annual holiday bonus is classified by the Management Committee among one of four categories, based upon the Participant’s level of responsibility. The Management Committee will set three levels for each category (minimum, budget and maximum). To the extent annual bonuses are payable for a Performance Year, the amount of the bonus payable to a Participant depends on (i) the category in which the Participant is classified and (ii) the bonus level achieved, as determined in the discretion of the Management Committee. The budget bonus is payable when Actual EBITDA is in the discretion of the Management Committee equal to or sufficiently close to Budgeted EBITDA. When the Actual EBITDA is sufficiently below the Budgeted EBITDA, as determined by the Management Committee in its discretion, but at least equal to 70% of Budgeted EBITDA, the minimum bonus is payable. When the Actual EBITDA is sufficiently above Budgeted EBITDA, as determined by the Management Committee in its discretion, the maximum bonus is payable.

2. Performance Bonus Program – Annual performance bonuses, if any, are awarded to management employees other than the Company’s CEO, COO, CFO and Senior Vice Presidents (“SVPs”). Annual performance bonuses are allocated to such management employees from a bonus pool expressed as a percentage of the aggregate eligible salaries of such management employees (as of the end of the Performance Year). The size of the bonus pool for a Performance Year depends on Company performance, which is measured by comparing Actual EBITDA with Budgeted EBITDA for the Performance Year. No annual performance bonuses are payable for a Performance Year if Actual EBITDA is less than 70% of Budgeted EBITDA for such Performance Year. Allocations of annual performance bonuses from the bonus pool among eligible Participants will be based on individual Participant performance, as determined by the Compensation Committee (or the Management Committee) in its sole discretion.

The bonus pool is determined as follows:

Actual EBITDA	Bonus Pool
< 70% of Budgeted EBITDA	No bonus pool
= 70% of Budgeted EBITDA	5.75% of eligible salaries
= 100% of Budgeted EBITDA	11.5% of eligible salaries
>= 130% of Budgeted EBITDA	23% of eligible salaries

To the extent Actual EBITDA falls between EBITDA thresholds, the bonus pool is determined by interpolation.

3. **Senior Management Bonus Program** – The Company’s CEO, COO, CFO and SVPs are eligible to receive bonuses based upon Company performance as follows:

Actual EBITDA	Bonus Award CEO and COO	Bonus Award CFO and SVPs
< 90% of Budgeted EBITDA	No bonus	No bonus
= 90% of Budgeted EBITDA	35% of annual salary	23.75% of annual salary
= 100% of Budgeted EBITDA	70% of annual salary	47.5% of annual salary
>= 120% of Budgeted EBITDA	140% of annual salary	95% of annual salary

To the extent Actual EBITDA falls between EBITDA thresholds, the bonus award is determined by interpolation.

Miscellaneous

- a) Although it is the present intention of the Compensation Committee to continue the Plan for a indefinite period of time, the Compensation Committee reserves the right to terminate the Plan in its entirety at any time or to modify the Plan as it exists from time to time, provided that no such action shall adversely affect any bonus previously awarded under the Plan with respect to a prior Performance Year and provided further, that except as otherwise permitted under the Plan, no termination or modification which would adversely affect a Participant hereunder shall take effect with respect to a Performance Year in progress at the time of such action.
- b) No bonus payable under the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge prior to actual receipt thereof by the payee; and any attempt to so anticipate, alienate, sell transfer, assign, pledge, encumber or charge prior to such receipt shall be void. The Company shall not be liable in any manner for or subject to the debts, contracts, liabilities, engagements or torts of any person entitled to any bonus under the Plan.
- c) Nothing contained herein shall confer upon any Participant the right to be retained in the service of the Corporation or any subsidiary thereof, nor limit the right of the Corporation or any subsidiary thereof to discharge or otherwise deal with any Participant without regard to the existence of the Plan.
- d) The Plan shall at all times be entirely unfunded and no provision shall at any time be made with respect to segregating assets of the Corporation or any subsidiary thereof for payment of any bonuses hereunder. No Participant or any other person shall have any interest in any particular assets of the Corporation or any subsidiary thereof by reason of the right to receive a bonus under the Plan and any such Participant or any other person shall have only the rights of a general

unsecured creditor of the Corporation or any subsidiary thereof with respect to any rights under the Plan.

- e) The Plan is intended to be exempt from the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and any ambiguity in the Plan shall be interpreted to this effect.
- f) To the extent required by law, the Company will withhold from payments otherwise due hereunder such taxes required to be withheld by the federal or any state or local government.
- g) The Plan shall be governed by and construed in accordance with the laws of the State of Illinois.