

Great Lakes Dredge & Dock CORP  
Form DEF 14A  
April 06, 2009

Table of Contents

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**Great Lakes Dredge & Dock Corporation**

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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    - (2) Form, Schedule or Registration Statement No.:
    - (3) Filing Party:
    - (4) Date Filed:
-

Table of Contents

**Great Lakes Dredge & Dock Corporation**  
**2122 York Road**  
**Oak Brook, Illinois 60523**  
**(630) 574-3000**

April 6, 2009

Dear Stockholders:

You are cordially invited to attend the 2009 Annual Meeting of Stockholders of Great Lakes Dredge & Dock Corporation, to be held on Wednesday, May 6, 2009, beginning at 10:00 A.M. Central Daylight Time at the Renaissance Hotel, 2100 Spring Road, Oak Brook, Illinois 60523.

Information about the meeting and the various matters on which the stockholders will vote is described in the Notice of Meeting and Proxy Statement included with this letter. Also included is a proxy card and postage-paid return envelope. Please sign, date and mail the enclosed proxy card in the return envelope provided as promptly as possible, whether or not you plan to attend the meeting. Finally, a copy of our Annual Report to Stockholders for the year ended December 31, 2008 is also enclosed for your review.

I look forward to greeting you personally at the meeting.

Sincerely,

Douglas B. Mackie  
President and Chief Executive Officer

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Table of Contents

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**MAY 6, 2009**

**TO THE STOCKHOLDERS OF GREAT LAKES DREDGE & DOCK CORPORATION:**

Notice is hereby given that the Annual Meeting of Stockholders of Great Lakes Dredge & Dock Corporation will be held on Wednesday, May 6, 2009, beginning at 10:00 A.M. Central Daylight Time at the Renaissance Hotel, 2100 Spring Road, Oak Brook, Illinois 60523 for the following purposes:

1. To elect as directors the three nominees named in the attached proxy statement, each to serve for a three-year term or until their respective successor is elected and qualified;
2. To ratify Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2009; and
3. To transact such other business as may properly come before the meeting or any adjournments of the Annual Meeting.

Only holders of record of common stock as of the close of business on March 24, 2009 are entitled to notice of and to vote at the Annual Meeting and any adjournments of the Annual Meeting.

In accordance with Delaware law, a list of the holders of common stock entitled to vote at the 2009 Annual Meeting will be available for examination by any stockholder for at least 10 days prior to the Annual Meeting for any purpose germane to the Annual Meeting. The list may be reviewed during ordinary business hours at our main office, located at 2122 York Road, Oak Brook, Illinois 60523.

**YOU ARE CORDIALLY INVITED TO ATTEND THE MEETING. WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, PLEASE COMPLETE, DATE AND SIGN THE ENCLOSED PROXY AND RETURN IT PROMPTLY IN THE ENCLOSED ENVELOPE, WHICH NEEDS NO POSTAGE IF MAILED IN THE UNITED STATES. IF YOU LATER DESIRE TO REVOKE YOUR PROXY, YOU MAY DO SO AT ANY TIME BEFORE IT IS EXERCISED.**

By Order of the Board of Directors,

Deborah A. Wensel  
Secretary

Oak Brook, Illinois  
April 6, 2009

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Table of Contents

**TABLE OF CONTENTS**

	<b>Page</b>
<u>PROXY STATEMENT FOR ANNUAL MEETING OF STOCKHOLDERS</u>	<u>1</u>
<u>INFORMATION ABOUT THE ANNUAL MEETING AND VOTING</u>	<u>1</u>
<u>PROPOSAL 1 ELECTION OF DIRECTORS</u>	<u>5</u>
<u>BOARD OF DIRECTORS AND CORPORATE GOVERNANCE</u>	<u>12</u>
<u>PROPOSAL 2 RATIFICATION OF INDEPENDENT AUDITOR</u>	<u>17</u>
<u>SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	<u>18</u>
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND</u>	<u>19</u>
<u>MANAGEMENT</u>	<u>22</u>
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	<u>28</u>
<u>EXECUTIVE COMPENSATION</u>	<u>37</u>
<u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS</u>	<u>40</u>
<u>MATTERS RELATED TO INDEPENDENT PUBLIC ACCOUNTANTS</u>	<u>42</u>
<u>MISCELLANEOUS</u>	<u>43</u>
<u>INCORPORATION BY REFERENCE</u>	<u>43</u>

Table of Contents

**Great Lakes Dredge & Dock Corporation  
2122 York Road  
Oak Brook, Illinois 60523  
(630) 574-3000**

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**PROXY STATEMENT  
FOR  
ANNUAL MEETING OF STOCKHOLDERS**

**To Be Held On May 6, 2009**

**This proxy statement and accompanying proxy card were mailed on or about April 6, 2009 to all stockholders entitled to vote at the Annual Meeting.**

**INFORMATION ABOUT THE ANNUAL MEETING AND VOTING**

The enclosed proxy materials are being sent to you in connection with the solicitation of the enclosed proxy by the Board of Directors of Great Lakes Dredge & Dock Corporation for use at the 2009 Annual Meeting of Stockholders and at any adjournments of the meeting, sometimes referred to as the "Annual Meeting" in this proxy statement. Throughout this proxy statement when the terms "Great Lakes," the "Company," "we," "our," "ours" or "us" are used, they refer to Great Lakes Dredge & Dock Corporation and its subsidiaries. We sometimes refer to our Board of Directors as the "Board."

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE  
STOCKHOLDER MEETING TO BE HELD ON MAY 6, 2009**

**The Great Lakes Dredge & Dock Corporation Proxy Statement and Annual Report to  
Stockholders for the year ended December 31, 2008 are available at [www.gldd.com/proxy](http://www.gldd.com/proxy)**

**Where will the Annual Meeting be held?**

The 2009 Annual Meeting will be held on Wednesday, May 6, 2009, at 10:00 A.M. Central Daylight Time, at the Renaissance Hotel, 2100 Spring Road, Oak Brook, Illinois 60523 to consider the matters set forth in the Notice of Annual Meeting of Stockholders.

**What materials are being sent along with this Proxy Statement?**

This proxy statement is being sent along with our Annual Report to Stockholders for the year ended December 31, 2008 (which is not part of the soliciting materials) and the proxy card.

Table of Contents

**Who is entitled to vote at the Annual Meeting?**

Only stockholders of record of our common stock, par value \$0.0001 per share, at the close of business on March 24, 2009 will be entitled to vote at the 2009 Annual Meeting. As of this record date, there were a total of 58,484,242 shares of our common stock outstanding, each share being entitled to one vote. There is no cumulative voting.

**How many votes must be present to hold the Annual Meeting?**

The presence at the 2009 Annual Meeting, in person or by proxy, of the holders of a majority of the shares of our outstanding common stock will constitute a quorum for the transaction of business at the Annual Meeting. If a quorum is not present or represented at the Annual Meeting, the stockholders entitled to vote at the Annual Meeting, present in person or represented by proxy, will have the power to adjourn the Annual Meeting without notice, other than the announcement at the Annual Meeting of such adjournment, until a quorum shall be present or represented.

Even if you plan to attend the Annual Meeting, in order to ensure the presence of a quorum at the Annual Meeting, please vote your shares in accordance with the instructions described below. Abstentions and broker non-votes are counted as present for purposes of establishing a quorum. Shares owned by Great Lakes are not voted and do not count for quorum purposes. A broker non-vote occurs when a broker or other nominee holding shares for a beneficial owner does not vote on a particular proposal because the broker or nominee does not have discretionary voting power and has not received instructions from the beneficial owner.

**Who is the record holder and what if the shares are held through a broker?**

If you are the registered holder of shares, then you are the record holder of those shares, and you should vote your shares as described in the next section.

If you own shares through a broker, the registered holder of those shares is the broker or its nominee. Such shares are often referred to as being held in "street name," and you, as the beneficial owner of those shares, do not appear in our stock register. For street name shares, there is a two-step process for distributing our proxy materials and tabulating votes. Brokers inform us how many of their clients own common stock in street name, and the broker forwards our proxy materials to those beneficial owners. If you receive our proxy materials from your broker, including a voting instruction card, you should vote your shares by following the procedures specified on the voting instruction card. Shortly before the Annual Meeting, your broker will tabulate the votes it has received and submit a proxy card to us reflecting the aggregate votes of the street name holders. If you plan to attend the Annual Meeting and vote your street name shares in person, you should contact your broker to obtain a broker's proxy card and bring it to the Annual Meeting.

**How do record holders vote their shares?**

You can vote at the Annual Meeting in person or by proxy. We recommend that you vote by proxy even if you plan to attend the Annual Meeting. You can always attend the Annual Meeting and revoke your proxy by voting in person.

There are three ways to vote by proxy:

By telephone You can vote by touch tone telephone by calling toll-free 1 (866) 894-0537, 24 hours a day, 7 days a week, and following the instructions on our proxy card;

Table of Contents

By Internet You can vote by Internet by going to the website [www.continentalstock.com](http://www.continentalstock.com) and following the instructions on our proxy card; or

By mail You can vote by mail by completing, signing, dating and mailing our enclosed proxy card.

By giving us your proxy, you are authorizing the individuals named on our proxy card, the proxies, to vote your shares in the manner you indicate. You may:

vote for the election of all of our director nominees;

withhold authority to vote for all of our director nominees; or

vote for the election of one or more of our director nominees and withhold authority to vote for the other nominee(s), by so indicating on the proxy card.

You may vote "FOR" or "AGAINST" or "ABSTAIN" from voting on the ratification of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2009.

**What if I do not vote for some of the matters listed on the proxy?**

If you vote by proxy without indicating your instructions, your shares will be voted FOR the election of our three director nominees and FOR the ratification of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2009.

**How can I revoke my proxy after it is submitted?**

A stockholder may revoke a proxy at any time prior to its exercise:

by giving to our Secretary a written notice of revocation of the proxy's authority, such notice to be delivered to our principal executive offices;

by submitting a duly elected proxy bearing a later date; or

by attending the 2009 Annual Meeting and voting in person.

**Who pays the cost of solicitation of proxies for the Annual Meeting?**

We will pay the costs for the solicitation of proxies, including the cost of preparing and mailing this proxy statement. Proxies are being solicited primarily by mail, but the solicitation by mail may be followed-up by solicitation in person, or by telephone or facsimile, by our regular employees without additional compensation for such proxy solicitation activity. We will reimburse brokers, banks and other custodians and nominees for their reasonable out-of-pocket expenses incurred in sending proxy materials to our stockholders. We have also hired Morrow & Co., LLC to assist in the solicitation of proxies.



Table of Contents

**Who should I contact with questions?**

Please contact Morrow & Co., LLC, our solicitation agent, at the phone number or address listed below with any questions regarding the Annual Meeting.

**Morrow & Co., LLC  
470 West Avenue 3<sup>rd</sup> Floor  
Stamford, CT 06902**

Banks and Brokerage Firms, please call (203) 658-9400  
Stockholders, please call (800) 607-0088

**How many votes are necessary for the election of the proposed nominees to the Board of Directors?**

The nominees for director for three-year terms will be elected provided that they receive the affirmative vote of a plurality of the shares present at the Annual Meeting, whether in person or by proxy. This means that, if a quorum is present, the three persons receiving the greatest number of votes will be elected to serve as directors. Withholding authority to vote for a director nominee is the equivalent of abstaining from the vote. Abstentions and broker non-votes are not counted as votes cast for the purposes of, and therefore will have no impact as to, the election of directors.

**How many votes are necessary for the approval of our proposed independent registered public accounting firm?**

Deloitte & Touche LLP will be ratified as our independent registered public accounting firm for the fiscal year ending December 31, 2009 provided it receives the affirmative vote of a majority of the shares present at the Annual Meeting, whether in person or by proxy. Abstentions will be treated as being present and entitled to vote on the matter and, therefore, will have the effect of votes against the proposal. A broker non-vote is treated as not being entitled to vote on the matter and, therefore, is not counted for purposes of determining whether the proposal has been approved.

**What other matters will be acted upon at the Annual Meeting?**

As of the date of this proxy statement, our Board of Directors does not know of any business that will be presented for consideration at the 2009 Annual Meeting other than the matters described in this proxy statement. If any other matters are properly brought before the Annual Meeting, the persons named in the enclosed proxy card will vote the proxies in accordance with their best judgment.

Table of Contents

**PROPOSAL 1 ELECTION OF DIRECTORS**

Set forth below are the names, ages, positions and biographies of our directors as of April 6, 2009. The Board of Directors, at the recommendation of its Nominating and Corporate Governance Committee, has nominated the first three listed directors for re-election to the Board of Directors for three-year terms:

<b>Name</b>	<b>Age</b>	<b>Position</b>
Bruce J. Biemeck*	59	Non-executive Director
Thomas S. Souleles*	40	Non-executive Director
Jason G. Weiss*	39	Non-executive Director
Douglas B. Mackie	56	President, Chief Executive Officer and Director
Peter R. Deutsch	52	Non-executive Director
Nathan D. Leight	49	Non-executive Director
Jonathan W. Berger	50	Non-executive Director
Douglas C. Grissom	42	Non-executive Director

\*

Directors nominated for election at the 2009 Annual Meeting.

**Composition of the Board of Directors**

Our Board is currently composed of eight members divided into three classes. The members of each class are elected to serve three-year terms with the term of office of each class ending in successive years. Bruce J. Biemeck, Thomas S. Souleles and Jason G. Weiss are the directors in the class whose term expires at the 2009 Annual Meeting. The Board, upon recommendation of the Nominating and Corporate Governance Committee, has nominated Messrs. Biemeck, Souleles and Weiss for re-election and the three nominees have indicated a willingness to serve. The members of the two other classes of directors will continue in office for their existing terms. Upon the expiration of the term of a class of directors, the nominees for such class will generally be elected for three-year terms at the Annual Meeting of Stockholders held in the year in which such term expires. A plurality of the shares of common stock present and voting at the Annual Meeting is necessary to elect the nominees for director.

The persons named as proxies in the enclosed proxy card will vote the proxies received by them for the election of Bruce J. Biemeck, Thomas S. Souleles and Jason G. Weiss unless otherwise directed. In the event that any of the nominees become unavailable for election at the Annual Meeting, the persons named as proxies in the enclosed proxy card may vote for a substitute nominee in their discretion as recommended by the Board.

Table of Contents

**Nominees For Election at the 2009 Annual Meeting**

*Bruce J. Biemeck, Director*

*(Nominee for new term at 2009  
Annual Meeting of Stockholders.  
Current term expires at the 2009  
Annual Meeting of Stockholders.)*

Mr. Biemeck has served as a member of our Board since our merger with a subsidiary of Aldabra Acquisition Corporation on December 26, 2006, referred to as the "Aldabra Merger" in this proxy statement. Since April 1999, Mr. Biemeck has been a private real estate investor and developer and has acted as an independent consultant. From 1994 to April 1999, Mr. Biemeck was Senior Vice President, Chief Financial Officer and Treasurer of Great Lakes. Mr. Biemeck received a Bachelor of Science degree from St. Louis University and an M.B.A from the University of Chicago and is a Certified Public Accountant and member of the Financial Executives Institute.

*Thomas S. Souleles, Director*

*(Nominee for new term at 2009  
Annual Meeting of Stockholders.  
Current term expires at the 2009  
Annual Meeting of Stockholders.)*

Mr. Souleles has served as a member of our Board since the acquisition of Great Lakes by Madison Dearborn Capital Partners IV, L.P., referred to as "MDCP IV" in this proxy statement, in December 2003, and he remained a director following the Aldabra Merger. Since 2000, Mr. Souleles has been a Managing Director of Madison Dearborn Partners, LLC, referred to as "MDP" in this proxy statement, a private equity investment firm. Mr. Souleles concentrates on investments in the basic industries sector and currently serves on the Boards of Directors of: Boise Inc., a paper and packaging company, Forest Products Holdings, LLC (d.b.a. Boise Cascade, LLC), a wood products manufacturer and building materials distributor, and US Power Generating Company, an electric power generating company. Mr. Souleles also serves on the Board of Directors of The Children's Memorial Medical Center, and the Board of Trustees of the National Multiple Sclerosis Society, Greater Illinois Chapter. Mr. Souleles received an A.B. from Princeton University, a J.D. from Harvard Law School and an M.B.A. from the Harvard Graduate School of Business Administration.

Table of Contents

*Jason G. Weiss, Director*

*(Nominee for new term at 2009  
Annual Meeting of Stockholders.  
Current term expires at the 2009  
Annual Meeting of Stockholders.)*

Mr. Weiss has served as a member of our Board since the Aldabra Merger. He was Aldabra's Chief Executive Officer, Secretary and a member of Aldabra's Board of Directors from Aldabra's inception in 2004 until the completion of the Aldabra Merger. Mr. Weiss is the co-founder and a managing member of Terrapin Partners LLC, established in August 1998, and Terrapin Asset Management, LLC and TWF Management Company LLC. From March 2007 until February 2008, Mr. Weiss was the Chief Executive Officer of Aldabra 2 Acquisition Corp. In February 2008, Aldabra 2 acquired the paper and packaging assets of Boise Cascade, LLC, changed its name to Boise Inc. (NYSE: BZ), and Mr. Weiss became a director of Boise Inc. From March 1999 to December 1999, Mr. Weiss served as the chief executive officer of PaperExchange.com, Inc., a web-based trading platform for paper and pulp, and from December 1999 to March 2000 he served as executive vice president of strategy. He also served as a managing member of e-STEEL LLC, an Internet-based steel marketplace, from September 1998 to March 1999. Mr. Weiss also served as a managing member of Terrapin's portfolio company, American Classic Sanitation, LLC, a temporary site services provider from August 1998 to December 2000 and from January 2004 to March 2004. He also served as its chief executive officer from August 1998 to December 1999. Mr. Weiss also serves on the board of directors of Equipois, Inc., a privately held manufacturer of mechanical arms that reduce worker injuries from sustained work with heavy tools, and Underground Solutions, Inc., a publicly traded water infrastructure technology company focused on trenchless rehabilitation of water pipelines. Mr. Weiss received a B.A. from the University of Michigan (with Highest Distinction) and a J.D. (cum laude) from Harvard Law School.

Table of Contents

**Directors Whose Term Will Continue  
Following the 2009 Annual Meeting**

*Jonathan W. Berger, Director*

*(Term expires at 2010 Annual Meeting  
of Stockholders.)*

Mr. Berger has served as a member of our Board since the Aldabra Merger. He was a member of Aldabra's Board of Directors from its inception in 2004 until the completion of the Aldabra Merger. Mr. Berger has been associated with Navigant Consulting, Inc., a New York Stock Exchange-listed consulting firm since December 2001, and is the managing director and co-practice area leader for the corporate finance practice. He has also been president of Navigant Capital Advisors, LLC, Navigant Consulting, Inc.'s registered broker-dealer, since October 2003. Mr. Berger is a director on the Board of Directors and is Chairman of the Audit Committee of Boise Inc., a paper and packaging company. From January 2000 to March 2001, Mr. Berger was president of DotPlanet.com, an Internet services provider. From August 1983 to December 1999, Mr. Berger was employed by KPMG, LLP, an independent public accounting firm, where he served as a partner from August 1991 to December 1999; he was in charge of the corporate finance practice for three of those years. Mr. Berger received a B.S. from Cornell University and an M.B.A. from Emory University. Mr. Berger is a certified public accountant. Mr. Berger is the cousin of Nathan D. Leight, one of our directors.

Table of Contents

*Peter R. Deutsch, Director*

*(Term expires at 2011 Annual Meeting  
of Stockholders.)*

Mr. Deutsch has served as a member of our Board since the Aldabra Merger. He was a member of Aldabra's Board of Directors from its inception in 2004 until the completion of the Aldabra Merger. Mr. Deutsch is an attorney in private practice. Mr. Deutsch was a member of the United States House of Representatives from January 1993 until January 2005 representing the 20th Congressional District of Florida. He served on the House Energy and Commerce Committee from January 1994 until January 2005. He was the Ranking Democrat on the Oversight and Investigations Subcommittee during the 104th, 107th and 108th Congresses. Mr. Deutsch was the Ranking Democrat in the investigations of Enron Corporation, Martha Stewart Living Omnimedia Inc., Bridgestone/Firestone Tires and the conflict of interest abuses at the National Institute of Health. He was also a member of the subcommittees on Telecommunications and the Internet, the Environment and Hazardous Materials and Consumer Trade and Protection. Prior to serving in Congress, Mr. Deutsch served in the Florida House of Representatives from November 1982 until November 1992, where he served on the Veterans Affairs Committee, the Health Care Committee, the Criminal Justice Committee, and as Chairman of the Insurance Committee. Mr. Deutsch received a B.S. from Swarthmore College and a J.D. from Yale University Law School.

*Douglas C. Grissom, Director*

*(Term expires at 2010 Annual Meeting  
of Stockholders.)*

Mr. Grissom has served as a member of our Board since the acquisition of Great Lakes by MDCP IV in December 2003, and he remained a director following the Aldabra Merger. Since June 2007, Mr. Grissom has been a Managing Director at MDP. Prior to joining MDP, Mr. Grissom was with Bain Capital, Inc., an alternative asset management firm in private equity, McKinsey & Company, Inc., and Goldman, Sachs & Co. Mr. Grissom concentrates on investments in the communications sector and currently serves on the Boards of Directors of Asurion Corporation, a wireless handset insurance and roadside assistance provider, and Cbeyond Communications, Inc., a voice and broadband Internet provider. Mr. Grissom also serves on the Board of the Children's Inner City Educational Fund. Mr. Grissom received an A.B. from Amherst College and an M.B.A. from the Harvard Graduate School of Business Administration.

Table of Contents

*Nathan D. Leight, Director*

*(Term expires at 2011 Annual Meeting of Stockholders.)*

Mr. Leight has served as a member of our Board since the Aldabra Merger. He was Aldabra's Chairman of the Board of Directors from its inception in 2004 until completion of the Aldabra Merger. Mr. Leight is the co-founder, a managing member, and chief investment officer of Terrapin Partners LLC, established in August 1998, and Terrapin Asset Management, LLC. Terrapin Partners is a private investment management firm. Terrapin Asset Management focuses on the management of multi-manager hedge fund portfolios and, as of January 1, 2009, managed more than \$300 million. From March 2007 until February 2008 Mr. Leight was the Chairman of Aldabra 2 Acquisition Corp., a blank check company which raised \$414 million of gross proceeds in its June 2007 initial public offering. In February 2008, Aldabra 2 acquired the paper and packaging assets of Boise Cascade, LLC, changed its name to Boise Inc. (NYSE: BZ), and Mr. Leight became a director of Boise Inc. From September 1998 to March 1999, Mr. Leight served as the interim chief executive officer of e-STEEL LLC, an Internet-based steel marketplace, and from January 2000 to May 2002, he served as interim chief executive officer of VastVideo, Inc., a special interest video content and technology provider. From February 1995 to August 1998, Mr. Leight was employed by Gabriel Capital LP, a hedge fund with assets exceeding \$1 billion, and from February 1995 to August 1997, he served as its chief investment officer. From December 1991 to February 1995, Mr. Leight served as a managing director of Dillon Read & Co., an investment bank, where he oversaw the firm's proprietary trading department. Mr. Leight received a A.B. from Harvard College (cum laude). Mr. Leight is the cousin of Jonathan W. Berger, one of our directors.

*Douglas B. Mackie, President and Chief Executive Officer, Director*

*(Term expires at 2011 Annual Meeting of Stockholders.)*

Mr. Mackie has served as a member of our Board and as our President and Chief Executive Officer since 1995. He joined Great Lakes in 1978 as Corporate Counsel. In 1987, he was named Senior Vice President. Mr. Mackie earned a J.D. from Northern Illinois University and an MBA from the University of Chicago. He is a former President of the Dredging Contractors of America.

**Family Relationships**

Two of our directors, Jonathan W. Berger and Nathan D. Leight, are cousins.

**Agreements with Respect to Nominees**

The investor rights agreement by and among Great Lakes, Aldabra, MDCP IV, certain Aldabra stockholders, and certain of our stockholders provides that MDCP IV has the right to nominate the number of directors to our Board that is proportional to the voting power represented by the shares of

Table of Contents

our capital stock owned by MDCP IV, until such time as MDCP IV owns less than 5% of the voting power of our capital stock. MDCP IV currently owns 24.5% of our outstanding common stock. Accordingly, MDCP IV is entitled to nominate two directors.

In connection with this Proposal 1, MDCP IV has nominated Mr. Souleles for reelection at the 2009 Annual Meeting. In addition, MDCP IV's second nominee, Mr. Grissom, is currently serving a continuing term on the Board. See "*Certain Relationships and Related Transaction Agreements with Related Persons Investor Rights Agreement.*"

**Vote Required and Recommendation**

The nominees for director will be elected for three-year terms provided that they receive the affirmative vote of a plurality of the shares present at the Annual Meeting, whether in person or by proxy. This means that, if a quorum is present, the three persons receiving the greatest number of votes at the Annual Meeting will be elected to serve as directors. As a result, withholding authority to vote for a director nominee, abstentions, and broker non-votes with respect to the election of directors will not affect the outcome of the election of directors.

**THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE "FOR" THE ELECTION OF EACH OF THE ABOVE NAMED NOMINEES TO THE BOARD OF DIRECTORS. PROXIES SOLICITED BY THE BOARD OF DIRECTORS WILL BE VOTED "FOR" THE ELECTION OF EACH OF THE NOMINEES NAMED ABOVE UNLESS INSTRUCTIONS TO THE CONTRARY ARE GIVEN.**



Table of Contents**BOARD OF DIRECTORS AND CORPORATE GOVERNANCE**

Our Board of Directors currently consists of eight members and has a separately standing Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee. The following table provides membership information during fiscal 2008 and through April 6, 2009 for each of our Committees of the Board of Directors:

Name	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee
Jonathan W. Berger	X*		
Bruce J. Biemeck	X	X	
Peter R. Deutsch	X		X
Douglas C. Grissom		X	X*
Thomas S. Souleles		X*	X

\*

Denotes Committee Chairperson

Below is a description of each Committee of our Board of Directors.

*Audit Committee.* The Audit Committee is comprised of Messrs. Berger, Biemeck and Deutsch, each of whom has been determined to be an independent director according to the rules and regulations of the SEC and the NASDAQ Stock Market. Additionally, our Board has determined that Mr. Berger and Mr. Biemeck are each an "audit committee financial expert," as such term is defined in Item 401(h) of Regulation S-K. The Audit Committee charter requires that all of its members be "independent directors," as such term is defined in Rule 4200(a)(15) of the NASDAQ Marketplace Rules.

The Audit Committee operates under a written charter, a copy of which is available on our website at [www.gldd.com](http://www.gldd.com) or may be obtained by writing to our Secretary at our principal executive office. Under this charter, the Audit Committee is responsible for:

monitoring the integrity of our financial reporting process and systems of internal controls regarding finance, accounting and legal compliance;

monitoring the independence and performance of our independent auditor and monitoring the performance of our internal audit function;

hiring and firing our auditor and approving any non-audit work performed for us; and

providing an avenue of communication among the independent auditor, management and our Board.

The Audit Committee held five meetings during fiscal 2008.

*Compensation Committee.* The Compensation Committee is comprised of Messrs. Biemeck, Grissom and Souleles, each of whom has been determined to be an independent director according to the rules and regulations of the SEC and the NASDAQ Stock Market.

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Messrs. Grissom, Souleles and Biemeck are each considered to be a "non-employee director" under Rule 16b-3 of the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange

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### Table of Contents

Act in this proxy statement, and an "outside director" under section 162(m) of the Internal Revenue Code of 1986, as amended, which we refer to as the "Tax Code" in this proxy statement.

The Compensation Committee operates under a written charter, a copy of which is available on our website at [www.gldd.com](http://www.gldd.com) or may be obtained by writing to our Secretary at our principal executive office. Under this charter, the Compensation Committee is responsible for:

reviewing and approving corporate goals and objectives relevant to the compensation of our chief executive officer, evaluating the chief executive officer's performance in light of these goals and approving the chief executive officer's compensation level based on this evaluation;

screening and recommending to the full Board individuals qualified to become chief executive officer;

establishing total compensation for the Board and approving total compensation for senior executives, including oversight of all senior executive benefit plans;

overseeing our general cash-based and equity-based incentive plans; and

producing a Compensation Committee report on executive compensation as required by the SEC to be included in our annual proxy statement.

The Compensation Committee held one meeting and took one action by written consent during fiscal 2008.

*Nominating and Corporate Governance Committee.* The Nominating and Corporate Governance Committee is comprised of Messrs. Deutsch, Grissom and Souleles, each of whom has been determined to be an independent director according to the rules and regulations of the SEC and the NASDAQ Stock Market.

The Nominating and Corporate Governance Committee operates under a written charter, a copy of which is available on our website at [www.gldd.com](http://www.gldd.com) or may be obtained by writing to our Secretary at our principal executive office. Under this charter, the Nominating and Corporate Governance Committee is responsible for:

developing and recommending qualification standards and other criteria for selecting new directors, identifying individuals qualified to become Board members consistent with qualification standards and other criteria approved by the Board and recommending to the Board such individuals as nominees to the Board for its approval;

overseeing evaluations of the Board, individual Board members and the Board committees; and

overseeing our compliance with ethics policies and considering matters of corporate governance.

The Nominating and Corporate Governance Committee does not set specific minimum qualifications for director positions. Instead, the Committee believes that nominations should be based on a particular candidate's merits and our needs after taking into account the current composition of the Board. When evaluating candidates for the position of director, the Nominating and Corporate Governance Committee considers an individual's skills, age, diversity, independence from us, experience in areas that address the needs of the Board and ability to devote adequate time to Board duties. Candidates that appear to best fit the needs of the Board and us are identified and unless such individuals are well known to the Board, they are interviewed and further evaluated by the Nominating and Corporate Governance Committee. Candidates selected by the Nominating and Corporate Governance Committee are then recommended to the full Board. After the Board approves a candidate,



Table of Contents

the Chair of the Nominating and Corporate Governance Committee extends an invitation to the candidate to join the Board.

The Nominating and Corporate Governance Committee will consider nominees for election or appointment to the Board who are recommended by our stockholders, provided that a complete description of such nominee's qualifications, experience and background, together with a statement signed by each nominee in which he or she consents to act as such, accompanies the recommendations, provided further that nominations by stockholders must be made in accordance with our By-Laws. See "*Proposals for the 2010 Annual Meeting*" below. Such recommendations should be submitted in writing to the attention of the Nominating and Corporate Governance Committee, c/o Secretary, Great Lakes Dredge & Dock Corporation, 2122 York Road, Oak Brook, IL 60523 and should not include self-nominations.

The Nominating and Corporate Governance Committee recommended Messrs. Biemeck, Souleles and Weiss to the Board as director nominees for election at the 2009 Annual Meeting of Stockholders. See "*Proposal 1 Election of Directors.*"

The Nominating and Corporate Governance Committee held one meeting during fiscal 2008.

*Other Committees.* Our Board of Directors may establish other committees as it deems necessary or appropriate from time to time.

*Attendance at Board of Directors and Committee Meetings.* Our current Board of Directors held eight meetings and took action by written consent one time during fiscal 2008. Each member of the Board attended at least 75% of all meetings of the Board and those Board Committees on which he served in 2008. The members of our Board are encouraged to attend our Annual Meeting of Stockholders. In May 2008, six members of our Board attended our Annual Meeting of Stockholders.

**Executive Sessions of Non-Management Directors and Independent Directors**

The non-management directors of the Board meet periodically in executive sessions without our management present. The independent directors also meet on occasion or as necessary in executive session. The Chairs of each of the Committees together select a director to serve as the Chair of each executive session of independent directors. Stockholders wishing to communicate with the independent directors may contact them by writing to: Independent Directors, c/o Secretary, Great Lakes Dredge & Dock Corporation, 2122 York Road, Oak Brook, IL 60523. Any such communication will be promptly distributed to the directors named in the communication in the same manner as described below in "*Communications with the Board of Directors.*"

**Director Independence**

The Board of Directors has determined that Messrs. Berger, Biemeck, Deutsch, Grissom and Souleles, constituting a majority of the Board, are independent directors, as such term is defined in Rule 4200(a)(15) of the NASDAQ Marketplace Rules. In reaching the conclusion that Mr. Berger is independent, the Board of Directors considered the fact that he is the cousin of Mr. Leight. In reaching the conclusion that Mr. Biemeck is independent, the Board considered the fact that he served as chief financial officer of Great Lakes from 1994 to 1999. The Board concluded that these relationships did not impact the independence of these directors under applicable NASDAQ Marketplace Rules.

Table of Contents

**Code of Ethics**

We have adopted a written Code of Business Conduct and Ethics that applies to all our employees, including our principal executive officer, principal financial officer, controller, and persons performing similar functions. Our code of ethics can be found on our website at [www.gldd.com](http://www.gldd.com). We will post on our website any amendments to or waivers of the Code of Business Conduct and Ethics for executive officers or directors, in accordance with applicable laws and regulations. A copy also may also be obtained by writing to our Secretary at our principal executive office.

**Communication with the Board of Directors**

We have not adopted a formal process for stockholder communications with our Board of Directors, but stockholders and other interested parties can send communications to one or more members of the Board by writing to the Board or to specific directors (including independent directors or Committee chairs) or group of directors at the following address:

Great Lakes Dredge & Dock Corporation Board of Directors  
c/o Senior Vice President Finance and Secretary  
Great Lakes Dredge & Dock Corporation  
2122 York Road  
Oak Brook, Illinois 60523

Any such communication will be promptly distributed by the Secretary to the individual director or directors named in the communication or to all directors if the communication is addressed to the entire Board of Directors. Every effort has been made to ensure that the views of stockholders are heard by the Board of Directors or individual directors, as applicable, and that appropriate responses are provided to stockholders in a timely manner. To date, we have not considered it necessary to adopt a more formal process for stockholder communications with the Board of Directors. Nevertheless, during the upcoming year the Board of Directors will continue to monitor whether it would be appropriate to adopt a formal process.

**Compensation of Directors**

Non-employee directors receive compensation for Board service which is designed to fairly compensate directors for their Board responsibilities. An employee director receives no additional compensation for Board service. The Compensation Committee has the primary responsibility to review and consider any revisions to directors' compensation. Director compensation is reviewed annually by the Compensation Committee, with recommendation to the full Board, and approves changes to director pay.

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### Table of Contents

The following table sets forth the compensation paid to each of our non-employee directors for the year ended December 31, 2008.

Name(1)	Fees Earned or Paid in Cash (\$)	Stock Awards(2) (\$)	Total (\$)
Jonathan W. Berger	\$ 30,000	\$ 30,000	\$ 60,000
Bruce J. Biemeck	\$ 30,000	\$ 30,000	\$ 60,000
Peter R. Deutsch	\$ 30,000	\$ 30,000	\$ 60,000
Douglas C. Grissom			
Nathan D. Leight	\$ 30,000	\$ 30,000	\$ 60,000
Thomas S. Souleles			
Jason G. Weiss	\$ 30,000	\$ 30,000	\$ 60,000

(1)

As an employee, Mr. Mackie is not entitled to additional compensation for serving as a member of the Board. See the "*Summary Compensation Table for Year Ended December 31, 2008*" for his compensation information. In addition, Messrs. Grissom and Souleles declined compensation for serving as non-employee members of the Board.

(2)

Each non-employee director, except for Messrs. Grissom and Souleles, who declined to receive any compensation, received an award of \$30,000 in shares of our common stock, with each such director receiving shares equal to \$7,500 on each of May 20, June 30, September 30 and December 31 of fiscal 2008. Such shares had a grant date fair value of \$5.41, \$6.11, \$6.31 and \$4.15 per share, respectively, as computed in accordance with Statement of Financial Accounting Standards No. 123R, "Share-Based Payment," referred to in this proxy statement as "FAS 123R."

Table of Contents

**PROPOSAL 2 RATIFICATION OF INDEPENDENT AUDITOR**

The Audit Committee of the Board of Directors, subject to stockholder ratification, has appointed Deloitte & Touche LLP as the independent registered public accounting firm to audit our consolidated financial statements for the fiscal year ending December 31, 2009. During fiscal year 2008, Deloitte & Touche LLP also served as our independent registered public accounting firm and, in addition, provided certain tax and other audit-related services. See "*Matters Related to Independent Public Accountants Professional Fees.*" Representatives of Deloitte & Touche LLP are expected to attend the Annual Meeting, where they will be available to respond to appropriate questions and, if they desire, to make a statement.

**Vote Required and Recommendation**

Deloitte & Touche LLP will be ratified as our independent registered public accounting firm for the fiscal year ending December 31, 2009 provided it receives the affirmative vote of a majority of the shares present at the Annual Meeting, whether in person or by proxy, assuming a quorum is present. Abstentions will be treated as being present and entitled to vote on the matter and, therefore, will have the effect of voting against the proposal. A broker non-vote is treated as not being entitled to vote on the matter and, therefore, is not counted for purposes of determining whether the proposal has been approved.

Although we are not required to seek stockholder ratification of this appointment, the Audit Committee and the Board believe it to be sound corporate practice to do so. If the appointment is not ratified, the Audit Committee will investigate the reasons for stockholder rejection and the Audit Committee will reconsider the appointment.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" RATIFICATION OF THE APPOINTMENT OF DELOITTE & TOUCHE LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING DECEMBER 31, 2009. PROXIES SOLICITED BY THE BOARD OF DIRECTORS WILL BE VOTED "FOR" THE RATIFICATION OF THE APPOINTMENT OF DELOITTE & TOUCHE LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM UNLESS INSTRUCTIONS TO THE CONTRARY ARE GIVEN.**



Table of Contents

**SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16(a) of the Exchange Act requires our directors, executive officers and all persons who beneficially own more than 10% of the outstanding shares of our common stock to file with the SEC initial reports of ownership and reports of changes in ownership of our common stock. Executive officers, directors and greater than 10% beneficial owners are also required to furnish us with copies of all Section 16(a) forms they file.

Based solely on our review of filings with the SEC and/or written representations and materials furnished to us from certain reporting persons, we believe that all filing requirements applicable to our executive officers, directors and persons who own more than 10% of our common stock were complied with in fiscal 2008, except as otherwise noted in this paragraph. Each of our non-executive directors who received compensation in the form of common stock in fiscal 2008 Messrs. Biemeck, Berger, Deutsch, Leight and Weiss filed two late Forms 4 Statements of Changes of Beneficial Ownership of Securities with respect to grants of common stock to such directors on June 30, 2008 and September 30, 2008, which Forms were filed on August 27, 2008 and October 10, 2008, respectively.

Table of Contents

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table is based on 58,484,242 shares of common stock outstanding as of March 30, 2009, and sets forth certain information with respect to the beneficial ownership of our common stock as of the same date by:

each person whom we know to own beneficially more than five percent of the outstanding shares of our common stock;

each of our directors and named executive officers; and

all of our directors and executive officers as a group.

Unless otherwise stated, each of the persons in the table has sole voting and investment power with respect to the securities beneficially owned.

	<b>Beneficially Owned</b>	
	<b>Number of</b>	<b>Percentage</b>
	<b>Shares of</b>	<b>of</b>
	<b>Common Stock</b>	<b>Common</b>
		<b>Stock</b>
Madison Dearborn(1)(2)	14,328,918	24.50%
FMR LLC(3)	7,297,017	12.48%
Hound Partners LLC, Hound Performance LLC and Jonathan Auerbach(4)	4,441,548	7.60%
Rutabaga Capital Management(5)	4,106,898	7.02%
Douglas B. Mackie(6)(7)	339,320	*
Richard M. Lowry(6)(8)	438,260	*
Deborah A. Wensel(6)(9)	99,967	*
David E. Simonelli(6)(10)	68,155	*
Kyle Johnson(6)(11)		