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

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2021

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 001-33225

Great Lakes Dredge & Dock Corporation
(Exact name of registrant as specified in its charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**20-5336063** **(I.R.S. Employer Identification No.)**
9811 Katy Freeway, Suite 1200, Houston, TX **(Address of principal executive offices)**	**77024** **(Zip Code)**

(346) 359-1010
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock (Par Value $0.0001)	GLDD	Nasdaq Stock Market, LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 26, 2021, 65,736,524 shares of the Registrant's Common Stock, par value $.0001 per share, were outstanding.

Great Lakes Dredge & Dock Corporation and Subsidiaries

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 For the Quarterly Period ended September 30, 2021

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PART I — Financial Information

Item 1. Financial Statements.

GREAT LAKES DREDGE & DOCK CORPORATION AND SUBSIDIARIES

Condensed Consolidated Balance Sheets
(Unaudited)
(in thousands, except per share amounts)

	September 30, 2021	December 31, 2020
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 173,838	$ 216,510
Accounts receivable—net	43,687	38,990
Contract revenues in excess of billings	33,344	32,106
Inventories	30,427	34,689
Prepaid expenses and other current assets	33,121	40,398
Total current assets	314,417	362,693
PROPERTY AND EQUIPMENT—Net	431,856	383,042
OPERATING LEASE ASSETS	52,100	65,188
GOODWILL	76,576	76,576
INVENTORIES—Noncurrent	63,833	58,413
OTHER	12,004	12,112
TOTAL	$ 950,786	$ 958,024
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 70,595	$ 71,308
Accrued expenses	41,020	52,899
Operating lease liabilities	14,635	19,472
Billings in excess of contract revenues	18,752	32,608
Total current liabilities	145,002	176,287
LONG-TERM DEBT	320,834	323,735
OPERATING LEASE LIABILITIES—Noncurrent	37,777	45,879
DEFERRED INCOME TAXES	62,229	56,466
OTHER	10,164	8,989
Total liabilities	576,006	611,356
COMMITMENTS AND CONTINGENCIES (Note 8)		
EQUITY:		
Common stock—$.0001 par value; 90,000 authorized, 65,737 and 65,023 shares issued and outstanding at September 30, 2021 and December 31, 2020, respectively.	6	6
Additional paid-in capital	307,065	304,757
Retained earnings	65,662	40,937
Accumulated other comprehensive income	2,047	968
Total equity	374,780	346,668
TOTAL	$ 950,786	$ 958,024

See notes to unaudited condensed consolidated financial statements.

Great Lakes Dredge & Dock Corporation and Subsidiaries

Condensed Consolidated Statements of Operations
(Unaudited)
(in thousands, except per share amounts)

	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Contract revenues	$ 168,638	$ 175,841	$ 516,185	$ 561,456
Costs of contract revenues	132,357	139,490	423,906	423,615
Gross profit	36,281	36,351	92,279	137,841
General and administrative expenses	15,167	14,888	45,713	45,263
Proceeds from loss of use claim	-	(1,723)	-	(1,723)
Gain on sale of assets—net	(291)	-	(323)	(184)
Operating income	21,405	23,186	46,889	94,485
Interest expense—net	(4,214)	(6,719)	(17,457)	(20,074)
Other income (expense)	(204)	156	692	(400)
Income before income taxes	16,987	16,623	30,124	74,011
Income tax provision	(3,181)	(4,076)	(5,399)	(18,517)
Net income	$ 13,806	$ 12,547	$ 24,725	$ 55,494
Basic earnings per share	$ 0.21	$ 0.19	$ 0.38	$ 0.86
Basic weighted average shares	65,691	64,860	65,535	64,726
Diluted earnings per share	$ 0.21	$ 0.19	$ 0.37	$ 0.84
Diluted weighted average shares	66,311	65,894	66,246	65,861

See notes to unaudited condensed consolidated financial statements.

Great Lakes Dredge & Dock Corporation and Subsidiaries

Condensed Consolidated Statements of Comprehensive Income
(Unaudited)
(in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Net income	$ 13,806	$ 12,547	$ 24,725	$ 55,494
Net change in cash flow derivative hedges—net of tax (1)	(1,211)	879	1,079	(2,807)
Comprehensive income	$ 12,595	$ 13,426	$ 25,804	$ 52,687

(1) Net of income tax benefit of $409 and $296 for the three months ended September 30, 2021 and 2020 respectively. Net of income tax provision of $(364) and $(959) for the nine months ended September 30, 2021 and 2020 respectively.

See notes to unaudited condensed consolidated financial statements.

Great Lakes Dredge & Dock Corporation and Subsidiaries

Condensed Consolidated Statements of Equity
(Unaudited)
(in thousands)

	Shares of Common Stock	Common Stock	Additional Paid-In Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Total
BALANCE—January 1, 2021	65,023	$ 6	$ 304,757	$ 40,937	$ 968	$ 346,668
Share-based compensation	131	-	3,772	-	-	3,772
Vesting of restricted stock units and impact of shares withheld for taxes	431	-	(3,785)	-	-	(3,785)
Exercise of options and purchases from employee stock plans	152	-	2,321	-	-	2,321
Net income	-	-	-	24,725	-	24,725
Other comprehensive income—net of tax	-	-	-	-	1,079	1,079
BALANCE—September 30, 2021	65,737	$ 6	$ 307,065	$ 65,662	$ 2,047	$ 374,780
BALANCE—January 1, 2020	64,283	$ 6	$ 302,189	$ (23,091)	$ 295	$ 279,399
Share-based compensation	80	-	4,891	-	-	4,891
Vesting of restricted stock units and impact of shares withheld for taxes	432	-	(2,174)	-	-	(2,174)
Exercise of options and purchases from employee stock plans	275	-	1,956	-	-	1,956
Repurchase of common stock	(425)	-	(1,792)	(2,068)	-	(3,860)
Net income	-	-	-	55,494	-	55,494
Other comprehensive loss—net of tax	-	-	-	-	(2,807)	(2,807)
BALANCE—September 30, 2020	64,645	$ 6	$ 305,070	$ 30,335	$ (2,512)	$ 332,899

	Shares of Common Stock	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
BALANCE—July 1, 2021	65,654	$ 6	$ 304,977	$ 51,856	$ 3,258	$ 360,097
Share-based compensation	58	-	1,207	-	-	1,207
Vesting of restricted stock units and impact of shares withheld for taxes	21	-	-	-	-	-
Exercise of options and purchases from employee stock plans	4	-	881	-	-	881
Net income	-	-	-	13,806	-	13,806
Other comprehensive income—net of tax	-	-			(1,211)	(1,211)
BALANCE—September 30, 2021	65,737	$ 6	$ 307,065	$ 65,662	$ 2,047	$ 374,780
BALANCE—July 1, 2020	64,947	$ 6	$ 304,531	$ 19,856	$ (3,391)	$ 321,002
Share-based compensation	19	-	1,761	-	-	1,761
Vesting of restricted stock units and impact of shares withheld for taxes	20	-	(68)	-	-	(68)
Exercise of options and purchases from employee stock plans	84	-	638	-	-	638
Repurchase of common stock	(425)	-	(1,792)	(2,068)	-	(3,860)
Net income	-	-	-	12,547	-	12,547
Other comprehensive income—net of tax	-	-	-	-	879	879
BALANCE—September 30, 2020	64,645	$ 6	$ 305,070	$ 30,335	$ (2,512)	$ 332,899

See notes to unaudited condensed consolidated financial statements.

Great Lakes Dredge & Dock Corporation and Subsidiaries

Condensed Consolidated Statements of Cash Flows
(Unaudited)
(in thousands)

	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
OPERATING ACTIVITIES:		
Net income	$ 24,725	$ 55,494
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation and amortization	31,674	27,584
Deferred income taxes	5,399	18,517
Gain on sale of assets	(323)	(184)
Amortization of deferred financing fees	2,032	1,208
Share-based compensation expense	3,772	4,891
Changes in assets and liabilities:		
Accounts receivable	(4,697)	(27,379)
Contract revenues in excess of billings	(1,238)	1,971
Inventories	(1,157)	(3,080)
Prepaid expenses and other current assets	8,719	6,115
Accounts payable and accrued expenses	(12,235)	4,707
Billings in excess of contract revenues	(13,856)	(17,112)
Other noncurrent assets and liabilities	(7)	3,264
Cash provided by operating activities	42,808	75,996
INVESTING ACTIVITIES:		
Purchases of property and equipment	(81,801)	(30,124)
Proceeds from dispositions of property and equipment	4,180	936
Cash used in investing activities	(77,621)	(29,188)
FINANCING ACTIVITIES:		
Deferred financing fees	(4,395)	-
Proceeds from issuance of debt	325,000	-
Repayments of debt	(325,000)	-
Taxes paid on settlement of vested share awards	(3,785)	(2,174)
Exercise of options and purchases from employee stock plans	2,321	1,956
Repurchase of common stock	-	(3,860)
Cash used in financing activities	(5,859)	(4,078)
Net (decrease) increase in cash, cash equivalents and restricted cash	(40,672)	42,730
Cash, cash equivalents and restricted cash at beginning of period	216,510	186,995
Cash, cash equivalents and restricted cash at end of period	$ 175,838	$ 229,725
Cash and cash equivalents	$ 173,838	$ 229,725
Restricted cash included in other long-term assets	2,000	—
Cash, cash equivalents and restricted cash at end of period	$ 175,838	$ 229,725
Supplemental Cash Flow Information		
Cash paid for interest	$ 14,013	$ 12,659
Cash paid for income taxes	$ 359	$ 385
Non-cash Investing and Financing Activities		
Property and equipment purchased but not yet paid	$ 7,049	$ 2,958

See notes to unaudited condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
(dollar amounts in thousands, except per share amounts or as otherwise noted)

1. Basis of presentation

The unaudited condensed consolidated financial statements and notes herein should be read in conjunction with the audited consolidated financial statements of Great Lakes Dredge & Dock Corporation and Subsidiaries (the “Company” or “Great Lakes”) and the notes thereto, included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2020. The condensed consolidated financial statements included herein have been prepared by the Company without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”). Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) have been condensed or omitted pursuant to the SEC’s rules and regulations, although management believes that the disclosures are adequate and make the information presented not misleading. In the opinion of management, all adjustments, which are of a normal and recurring nature (except as otherwise noted), that are necessary to present fairly the Company’s financial position as of September 30, 2021 and December 31, 2020, and its results of operations for the three and nine months ended September 30, 2021 and 2020 and cash flows for the nine months ended September 30, 2021 and 2020 have been included.

The components of costs of contract revenues include labor, equipment (including depreciation, maintenance, insurance and long-term rentals), subcontracts, fuel, supplies, short-term rentals and project overhead. Hourly labor is generally hired on a project-by-project basis. Costs of contract revenues vary significantly depending on the type and location of work performed and assets utilized.

The Company has one operating segment which is also the Company’s reportable segment and reporting unit of which the Company tests goodwill for impairment. The Company performed its most recent annual test of impairment as of July 1, 2021 with no indication of impairment as of the test date. The Company will perform its next scheduled annual test of goodwill in the third quarter of 2022.

On August 4, 2020, the Company announced that its board of directors approved a share repurchase program, which authorized, but not obligated, the repurchase of up to an aggregate amount of $75.0 million of its common stock from time to time through July 31, 2021.

The condensed consolidated results of operations and comprehensive income for the interim periods presented herein are not necessarily indicative of the results to be expected for the full year.

2. Earnings per share

Basic earnings per share is computed by dividing net income attributable to common stockholders by the weighted-average number of common shares outstanding during the reporting period. Diluted earnings per share is computed similar to basic earnings per share except that it reflects the potential dilution that could occur if dilutive securities or other obligations to issue common stock were exercised or converted into common stock.

The computations for basic and diluted earnings per share are as follows:

(shares in thousands)	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Net income	$ 13,806	$ 12,547	$ 24,725	$ 55,494
Weighted-average common shares outstanding — basic	65,691	64,860	65,535	64,726
Effect of stock options and restricted stock units	620	1,034	711	1,135
Weighted-average common shares outstanding — diluted	66,311	65,894	66,246	65,861
Earnings per share — basic	$ 0.21	$ 0.19	$ 0.38	$ 0.86
Earnings per share — diluted	$ 0.21	$ 0.19	$ 0.37	$ 0.84

3. Accrued expenses

Accrued expenses at September 30, 2021 and December 31, 2020 were as follows:

	September 30, 2021	December 31, 2020
Insurance	$ 15,435	$ 14,754
Payroll and employee benefits	10,117	21,675
Income and other taxes	2,486	2,164
Interest	5,959	3,285
Contract reserves	1,029	2,491
Other	5,994	8,530
Total accrued expenses	$ 41,020	$ 52,899

4. Long-term debt

Credit agreement

As of September 30, 2021 and December 31, 2020, the Company had no borrowings outstanding under our $200,000 amended and restated revolving credit and security agreement (as amended, the "Amended Credit Agreement"). There were $32,708 and $36,407 of letters of credit outstanding and $166,965 and $163,231 of availability under the Amended Credit Agreement as of September 30, 2021 and December 31, 2020, respectively. The availability under the Amended Credit Agreement is suppressed by $327 as of September 30, 2021 and December 31, 2020, as a result of certain limitations set forth in the Amended Credit Agreement.

Senior Notes and subsidiary guarantors

In May 2021, the Company sold $325 million of unsecured 5.25% Senior Notes (the "2029 Notes") pursuant to a private offering. The 2029 Notes were priced to investors at par and will mature on June 1, 2029. The Company used the net proceeds from the offering, together with cash on hand, to redeem all $325 million aggregate principal amount of its outstanding 8.000% Senior Notes due 2022 (the "8% Notes"). Approximately $1.0 million of deferred financing fees related to the 8% Notes were extinguished and are presented within year-to-date net interest expense in the Statement of Operations.

The Company's obligations under these 2029 Notes are guaranteed by each of the Company's existing and future 100% owned domestic subsidiaries that are co-borrowers or guarantors under its Amended Credit Agreement. Such guarantees are full, unconditional and joint and several. The parent company issuer has no independent assets or operations and all non-guarantor subsidiaries have been determined to be minor.

5. Fair value measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. A fair value hierarchy has been established by GAAP that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The accounting guidance describes three levels of inputs that may be used to measure fair value:

Level 1—Quoted prices in active markets for identical assets or liabilities.

Level 2—Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The Company utilizes the market approach to measure fair value for its financial assets and liabilities. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. At times, the Company holds certain derivative contracts that it uses to manage commodity price risk. The Company does not hold or issue derivatives for speculative or trading purposes. The fair values of these financial instruments are summarized as follows:

		Fair Value Measurements at Reporting Date Using		
Description	At September 30, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fuel hedge contracts	$ 3,181	$ -	$ 3,181	$ -

		Fair Value Measurements at Reporting Date Using		
Description	At December 31, 2020	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fuel hedge contracts	$ 1,739	$ -	$ 1,739	$ -

Fuel hedge contracts

The Company is exposed to certain market risks, primarily commodity price risk as it relates to diesel fuel purchase requirements, which occur in the normal course of business. The Company enters into heating oil commodity swap contracts to hedge the risk that fluctuations in diesel fuel prices could have an adverse impact on cash flows associated with its domestic dredging contracts. The Company’s typical goal is to hedge approximately 80% of the fuel requirements for work in domestic backlog.

As of September 30, 2021, the Company was party to various swap arrangements to hedge the price of its diesel fuel purchase requirements for work in its backlog to be performed through September 2022. As of September 30, 2021, there were 9.4 million gallons remaining on these contracts which represent approximately 80% of the Company’s forecasted domestic fuel purchases through September 2022. Under these swap agreements, the Company will pay fixed prices ranging from $1.22 to $2.22 per gallon.

At September 30, 2021 and December 31, 2020, the fair value asset of the fuel hedge contracts were estimated to be $3,181 and $1,739, respectively, and are recorded in prepaid expenses and other current assets. For fuel hedge contracts considered to be highly effective, the gains and losses reclassified to earnings from changes in fair value of derivatives, net of cash settlements and taxes, for the nine months ended September 30, 2021 were $5,197. The remaining gains and losses included in accumulated other comprehensive loss at September 30, 2021 will be reclassified into earnings over the next twelve months, corresponding to the period during which the hedged fuel is expected to be utilized. Changes in the fair value of fuel hedge contracts not considered highly effective are recorded as cost of contract revenues in the Statement of Operations. The fair values of fuel hedges are corroborated using inputs that are readily observable in public markets; therefore, the Company determines fair value of these fuel hedges using Level 2 inputs.

The Company is exposed to counterparty credit risk associated with non-performance of its various derivative instruments. The Company’s risk would be limited to any unrealized gains on current positions. To help mitigate this risk, the Company transacts only with counterparties that are rated as investment grade or higher. In addition, all counterparties are monitored on a continuous basis.

The fair value of the fuel hedge contracts outstanding as of September 30, 2021 and December 31, 2020 is as follows:

		Fair Value at	
	Balance Sheet Location	September 30, 2021	December 31, 2020
Asset derivatives:			
Derivatives designated as hedging instruments			
Fuel hedge contracts	Prepaid expenses and other current assets	$ 3,181	$ 1,739

Accumulated other comprehensive income (loss)

Changes in the components of the accumulated balances of other comprehensive income (loss) are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Derivatives:				
Reclassification of derivative (gains) losses to earnings—net of tax	(1,793)	1,510	(5,197)	5,338
Change in fair value of derivatives—net of tax	582	(631)	6,276	(8,145)
Net change in cash flow derivative hedges—net of tax	$ (1,211)	$ 879	$ 1,079	$ (2,807)

Adjustments reclassified from accumulated balances of other comprehensive income (loss) to earnings are as follows:

		Three Months Ended September 30,		Nine Months Ended September 30,	
	Statement of Operations Location	2021	2020	2021	2020
Derivatives:					
Fuel hedge contracts	Costs of contract revenues	$ (2,399)	$ 2,029	(6,953)	7,161
	Income tax (provision) benefit	(606)	519	(1,756)	1,823
		$ (1,793)	$ 1,510	$ (5,197)	$ 5,338

Other financial instruments

The carrying value of financial instruments included in current assets and current liabilities approximates fair value due to the short-term maturities of these instruments. Based on timing of the cash flows and comparison to current market interest rates, the carrying value of our revolving credit agreement approximates fair value. In May 2021, the Company issued $325,000 of 5.25% Senior Notes, which were outstanding at September 30, 2021 (see Note 4, Long-term debt). The 2029 Notes are senior unsecured obligations of the Company and its subsidiaries that guarantee the 2029 Notes. The fair value of the senior notes was $336,375 at September 30, 2021, which is a Level 1 fair value measurement as the senior notes' value was obtained using quoted prices in active markets. It is impracticable to determine the fair value of outstanding letters of credit or performance, bid and payment bonds due to uncertainties as to the amount and timing of future obligations, if any.

6. Share-based compensation

On May 5, 2021, the Company's stockholders approved the Great Lakes Dredge & Dock Corporation 2021 Long-Term Incentive Plan (the "Incentive Plan"), which previously had been approved by the Company's board of directors subject to stockholder approval. The Incentive Plan replaces the 2017 Long-Term Incentive Plan (the "Prior Plan") and is largely based on the Prior Plan, but with updates to the available shares and other administrative changes. The Incentive Plan permits the granting of stock options, stock appreciation rights, restricted stock and restricted stock units to the Company's employees and directors for up to 1.5 million shares of common stock, plus the number of shares that remained available for future grant under the Prior Plan as of the effectiveness of the Incentive Plan.

The Prior Plan permitted the granting of stock options, stock appreciation rights, restricted stock and restricted stock units to the Company's employees and directors for up to 3.3 million shares of common stock, plus an additional 1.7 million shares underlying equity awards issued under the 2007 Long-Term Incentive Plan.

During the nine months ended September 30, 2021, the Company granted 309 thousand restricted stock units to certain employees. In addition, all non-employee directors on the Company's board of directors are paid a portion of their board-related compensation in stock grants or restricted stock units. Compensation cost charged to expense related to share-based compensation arrangements was $1,207 and $1,761 for the three months ended September 30, 2021 and 2020, respectively. Compensation cost charged to expense related to share-based compensation arrangements was $3,772 and $4,891 for the nine months ended September 30, 2021 and 2020 respectively.

7. Revenue

At September 30, 2021, the Company had $598,481 of remaining performance obligations, which the Company refers to as total backlog. Approximately 39% of the Company's backlog is expected to be completed in 2021; the majority of the remaining balance is expected to be completed in 2022 with an immaterial portion potentially falling into 2023 depending upon the timing of job completion.

Revenue by category

The following series of tables presents our revenue disaggregated by several categories.

Domestically, our work generally is performed in coastal waterways and deep-water ports. The U.S. dredging market consists of four primary types of work: capital, coastal protection, maintenance and rivers & lakes. Foreign projects typically involve capital work.

The Company's contract revenues by type of work, for the periods indicated, were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
Revenues	**2021**	**2020**	**2021**	**2020**
Dredging:				
Capital—U.S.	$ 111,481	$ 98,194	$ 268,485	$ 245,183
Capital—foreign	274	9,787	6,596	20,630
Coastal protection	15,945	29,780	109,208	165,668
Maintenance	35,052	33,453	117,631	117,806
Rivers & lakes	5,886	4,627	14,265	12,169
Total revenues	$ 168,638	$ 175,841	$ 516,185	$ 561,456

The Company's contract revenues by type of customer, for the periods indicated, were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
Revenues	**2021**	**2020**	**2021**	**2020**
Dredging:				
Federal government	$ 137,605	$ 154,083	$ 395,668	$ 453,346
State and local government	17,058	4,464	88,902	76,489
Private	13,701	7,507	25,019	10,991
Foreign	274	9,787	6,596	20,630
Total revenues	$ 168,638	$ 175,841	$ 516,185	$ 561,456

Accounts receivable at September 30, 2021 and December 31, 2020 are as follows:

	September 30, 2021	**December 31, 2020**
Completed contracts	$ 4,357	$ 12,347
Contracts in progress	32,088	21,239
Retainage	7,806	5,968
	44,251	39,554
Allowance for doubtful accounts	(564)	(564)
Total accounts receivable—net	$ 43,687	$ 38,990

The components of contracts in progress at September 30, 2021 and December 31, 2020 are as follows:

	September 30, 2021	December 31, 2020
Costs and earnings in excess of billings:		
Costs and earnings for contracts in progress	$ 234,930	$ 199,964
Amounts billed	(209,327)	(168,569)
Costs and earnings in excess of billings for contracts in progress	25,603	31,395
Costs and earnings in excess of billings for completed contracts	9,853	2,823
Total contract revenues in excess of billings	$ 35,456	$ 34,218
Current portion of contract revenues in excess of billings	$ 33,344	$ 32,106
Long-term contract revenues in excess of billings	2,112	2,112
Total contract revenues in excess of billings	$ 35,456	$ 34,218
Billings in excess of costs and earnings:		
Amounts billed	$ (502,680)	$ (550,468)
Costs and earnings for contracts in progress	483,928	517,860
Total billings in excess of contract revenues	$ (18,752)	$ (32,608)

At September 30, 2021 and December 31, 2020, costs to fulfill a contract with a customer recognized as an asset were $7,082 and $10,501, respectively, and are recorded in other current assets and other noncurrent assets. These costs relate to pre-contract and pre-construction activities. During the three and nine months ended September 30, 2021 and 2020, the Company amortized $3,687 and $2,891, and $15,443 and $11,695 respectively, of pre-construction costs.

8. Commitments and contingencies

Commercial commitments

Performance and bid bonds are customarily required for dredging and marine construction projects. The Company has bonding agreements with Argonaut Insurance Company, Berkley Insurance Company, Chubb Surety and Liberty Mutual Insurance Company, under which the Company can obtain performance, bid and payment bonds. The Company also has outstanding bonds with Travelers Casualty, Surety Company of America and Zurich American Insurance Company. Bid bonds are generally obtained for a percentage of bid value and amounts outstanding typically range from $1,000 to $10,000. At September 30, 2021, the Company had outstanding performance bonds with a notional amount of approximately $1,435,917. The revenue value remaining in backlog totaled approximately $598,481.

Certain foreign projects performed by the Company have warranty periods, typically spanning no more than one to three years beyond project completion, whereby the Company retains responsibility to maintain the project site to certain specifications during the warranty period. Generally, any potential liability of the Company is mitigated by insurance, shared responsibilities with consortium partners, and/or recourse to owner-provided specifications.

Legal proceedings and other contingencies

As is customary with negotiated contracts and modifications or claims to competitively bid contracts with the federal government, the government has the right to audit the books and records of the Company to ensure compliance with such contracts, modifications, or claims, and the applicable federal laws. The government has the ability to seek a price adjustment based on the results of such audit. Any such audits have not had, and are not expected to have, a material impact on the financial position, operations, or cash flows of the Company.

Various legal actions, claims, assessments and other contingencies arising in the ordinary course of business are pending against the Company and certain of its subsidiaries. The Company will defend itself vigorously on all matters. These matters are subject to many uncertainties, and it is possible that some of these matters could ultimately be decided, resolved, or settled adversely to the Company. Although the Company is subject to various claims and legal actions that arise in the ordinary course of business, except as described below, the Company is not currently a party to any material legal proceedings or environmental claims. The Company records an accrual when it is probable a liability has been incurred and the amount of loss can be reasonably estimated. The Company does not believe any of these proceedings, individually or in the aggregate, would be expected to have a material effect on results of operations, cash flows or financial condition.

On April 23, 2014, the Company completed the sale of NASDI, LLC (“NASDI”) and Yankee Environmental Services, LLC (“Yankee”), which together comprised the Company’s historical demolition business, to a privately owned demolition company. On January 14, 2015, the Company and its subsidiary, NASDI Holdings, LLC, brought an action in the Delaware Court of Chancery to enforce the terms of the Company's agreement to sell NASDI and Yankee. Under the terms of the agreement, the Company received cash of $5,309 and retained the right to receive additional proceeds based upon future collections of outstanding accounts receivable and work in process existing at the date of close. The Company seeks specific performance of the buyer’s obligation to collect and to remit the additional proceeds, and other related relief. Defendants have filed counterclaims alleging that the Company misrepresented the quality of its contracts and receivables prior to the sale. The Company denies defendants’ allegations. In addition, the Company has been granted a judgment in the amount of $21,934 based upon the buyer’s default of its obligations to indemnify the Company for losses resulting from failure to perform in accordance with terms of surety performance bond. The defendants filed a notice of appeal from that judgement. The Company continues to aggressively pursue collection from the buyer on outstanding amounts owed under the sale and the indemnification. An estimate of a range of potential gains or losses relating to these matters cannot reasonably be made.

On April 22, 2021, the U.S. Attorney’s Office for the Eastern District of Louisiana filed a bill of information against the Company charging the Company with a negligent discharge violation of the Clean Water Act arising from a September 2016 oil spill. The spill occurred during the Company’s Cheniere Ronquille project and resulted in the discharge of around one hundred sixty barrels of crude oil in Bay Long, Louisiana. The Company has cooperated with the U.S. Attorney’s Office and other relevant agencies in their investigation of the oil spill and on June 15, 2021, the Company pleaded guilty to the misdemeanor violation alleged in the bill of information and agreed to pay a fine of $1,000. As a result, the government may initiate suspension or statutory debarment proceedings against us, which might prohibit us from bidding for, entering into or completing certain government projects. The Company also remains subject to potential liability for restitution in connection with this criminal matter and potential liability in a pending civil suit arising from the same matter. The Company has deposited the maximum potential liability for the criminal matter of $2,000 in escrow which is presented as restricted cash in other noncurrent assets. Although the Company does not know whether proceedings will be initiated or result in prohibitions, or the impact of any such resulting prohibitions, the Company does not expect any such proceedings or prohibitions to cause a material disruption to its business, financial condition or results of operations.

On September 27, 2019, the EPA Region 4 filed an administrative complaint against the Company relating to a project the Company performed at PortMiami from 2013-2015 alleging violations of Section 103 of the Marine Protection, Research, and Sanctuaries Act (“MPRSA”) and failure to report violations of the MPRSA. In July 2021, the parties executed a consent agreement and the Company paid $500 as a civil penalty in August 2021.

Lease obligations

The Company leases certain operating equipment and office facilities under long-term operating leases expiring at various dates through 2030. The equipment leases contain renewal or purchase options that specify prices at the then fair value upon the expiration of the lease terms. The leases also contain default provisions that are triggered by an acceleration of debt maturity under the terms of the Company’s Amended Credit Agreement, or, in certain instances, cross default to other equipment leases and certain lease arrangements require that the Company maintain certain financial ratios comparable to those required by its Amended Credit Agreement. Additionally, the leases typically contain provisions whereby the Company indemnifies the lessors for the tax treatment attributable to such leases based on the tax rules in place at lease inception. The tax indemnifications do not have a contractual dollar limit. To date, no lessors have asserted any claims against the Company under these tax indemnification provisions.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Cautionary note regarding forward-looking statements

Certain statements in this Quarterly Report on Form 10-Q may constitute "forward-looking" statements as defined in Section 27A of the Securities Act of 1933 (the "Securities Act"), Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act"), the Private Securities Litigation Reform Act of 1995 (the "PSLRA") or in releases made by the Securities and Exchange Commission ("SEC"), all as may be amended from time to time. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of Great Lakes Dredge & Dock Corporation and its subsidiaries ("Great Lakes" or the "Company"), or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Statements that are not historical fact are forward-looking statements. Forward-looking statements can be identified by, among other things, the use of forward-looking language, such as the words "plan," "believe," "expect," "anticipate," "intend," "estimate," "project," "may," "would," "could," "should," "seeks," or "scheduled to," or other similar words, or the negative of these terms or other variations of these terms or comparable language, or by discussion of strategy or intentions.

These cautionary statements are being made pursuant to the Securities Act, the Exchange Act and the PSLRA with the intention of obtaining the benefits of the "safe harbor" provisions of such laws. Great Lakes cautions investors that any forward-looking statements made by Great Lakes are not guarantees or indicative of future performance. Important assumptions and other important factors that could cause actual results to differ materially from those forward-looking statements with respect to Great Lakes, include, but are not limited to, risks and uncertainties that are described in Item 1A. "Risk Factors" of Great Lakes' Annual Report on Form 10-K for the year ended December 31, 2020, in Item 1A. "Risk Factors" of Great Lakes' Quarterly Report on Form 10-Q for the quarter ended June 30, 2021, in Item 1A. "Risk Factors" of this Quarterly Report on Form 10-Q and in other securities filings by Great Lakes with the SEC.

Although Great Lakes believes that its plans, intentions and expectations reflected in or suggested by such forward-looking statements are reasonable, actual results could differ materially from a projection or assumption in any forward-looking statements. Great Lakes' future financial condition and results of operations, as well as any forward-looking statements, are subject to change and inherent risks and uncertainties. The forward-looking statements contained in this Quarterly Report on Form 10-Q are made only as of the date hereof and Great Lakes does not have or undertake any obligation to update or revise any forward-looking statements whether as a result of new information, subsequent events or otherwise, unless otherwise required by law.

General

The Company is the largest provider of dredging services in the United States. In addition, the Company has a long history of performing significant international projects. The mobility of the Company's fleet enables the Company to move equipment in response to changes in demand for dredging services.

In the fourth quarter of 2020, the Company announced the relocation of its headquarters from Oak Brook, Illinois to Houston, Texas. The Company's new corporate office in Houston opened in the first quarter of 2021. This relocation places the Company closer to key regional customers and new markets, especially along the Gulf Coast and the Mississippi River.

Dredging generally involves the enhancement or preservation of navigability of waterways or the protection of shorelines through the removal or replenishment of soil, sand or rock. Domestically, our work generally is performed in coastal waterways and deep water ports. The U.S. dredging market consists of four primary types of work: capital, coastal protection, maintenance and rivers & lakes. The Company's bid market is defined as the aggregate dollar value of domestic dredging projects on which the Company bid or could have bid if not for capacity constraints ("bid market"). The Company experienced an average combined bid market share in the U.S. of 37% over the prior three years, including 49%, 55%, 19% and 34% of the domestic capital, coastal protection, maintenance and rivers & lakes sectors, respectively.

The Company's largest domestic dredging customer is the U.S. Army Corps of Engineers (the "Corps"), which has responsibility for federally funded projects related to navigation and flood control of U.S. waterways. In the first nine months of 2021, the Company's dredging revenues earned from contracts with federal government agencies, including the Corps as well as other federal entities such as the U.S. Coast Guard and the U.S. Navy, were approximately 77% of dredging revenues, slightly below the Company's prior three year average of 79%.

The coronavirus (COVID-19) pandemic has severely impacted global economic activity and many countries, including the United States and its governmental entities and private businesses, have reacted by instituting quarantines, mandating school and business closures and limiting travel at various times throughout the pandemic. On March 28, 2020, dredging was specifically listed in the U.S. Department of Homeland Security's "Advisory Memorandum on Identification of Essential Critical Infrastructure Workers During COVID-19 Response" which federally designates the Company as an essential business or "critical infrastructure" company that can maintain operations during the ongoing pandemic. As mentioned above, the Company's largest domestic dredging customer is the Corps; the Corps oversees the majority of these critical infrastructure projects and, in this capacity, has continued to follow their bid schedule and prioritize all types of dredging including port maintenance and expansion and coastal protection projects that are necessary to avoid potential storm damage during hurricane season. Despite the uncertainty surrounding COVID-19, to date, the Corps is continuing to advertise new projects.

Our Executive Leadership team has established a COVID-19 Command Team that meets once each week to update contingency plans, as necessary, and address the challenges related to maintaining operations in this evolving economic environment. The Company's primary focus has been the health and safety of its employees. The Company has implemented new paid leave policies and additional sanitary and safety measures to mitigate the risk of infection to employees. On vessels and job sites, the Company has instituted fewer employee shift changes and increased sanitary and social distancing measures. During the first half of 2021, the Company began to experience increased project costs and delays related to COVID-19. In the first half of 2021, several vessel crews were infected despite extensive testing and isolation protocols. Vessels were required to go to shore for crew changes and the vessels had to be disinfected before returning to work. This impacted the vessels' scheduling and availability which led to project delays. As vaccines became widely available in the second quarter, the Company set a target to have all parts of the organization vaccinated and the Company is now close to reaching this target. Although some COVID-19 related costs remain in the third quarter, overall COVID-19 costs have decreased since the first half of 2021.

Mid-year, the Company's corporate employees began transitioning from a remote working environment to working in person with a hybrid working environment. The Company is following the protocols published by the U.S. Centers for Disease Control and Prevention, the World Health Organization and state and local governments. As the Company's employees, customers and communities are facing significant challenges, the Company cannot predict how COVID-19 will evolve or the impact it, or actions taken to contain it, will have on future results. Due to the uncertainty that surrounds this virus, the Company will be continually evaluating safety and operational contingency plans and the potential future impact that this evolving environment has on the Company's business, financial condition and results of operations.

The Company plans to participate in the offshore wind market, and in March 2021 the Company awarded a contract for the design and development of the first U.S. flagged Jones Act compliant, inclined fall-pipe vessel for subsea rock installation for wind turbine foundations. This vessel would represent a significant critical advancement in building the U.S. logistics infrastructure to support the future of the new U.S. offshore wind industry. The Company anticipates making an investment decision in the fourth quarter of 2021 with expected delivery of the vessel in second half of 2024. As of the current quarter, the Company has begun soliciting bids in the offshore wind market.

The current administration has pushed to accelerate renewable energy developments and has set a target to install 30GW of offshore wind energy generation capacity by 2030 on the U.S. East Coast. In March 2021, the White House announced new initiatives that will advance the administration's goals to expand the nation's offshore wind energy capacity in the coming decade by opening new areas of development, improving environmental permitting and increasing public financing for projects. Additionally, in 2021, the U.S. Senate passed the $1.2 trillion infrastructure bill where the Corps will be granted $11.6 billion in funding to improve the nation's resilience to the effects of climate change.

In July 2021, the Corps' 2021 budget was approved by the House of Representatives at a record high proposed budget level of $8.66 billion. In this bill, the Harbor Maintenance Trust Fund (the "HMTF") would receive $2.05 billion. This record funding is in addition to the annual cap being lifted from the HMTF in 2020 and the 2020 Water Resource Development Act (the "WRDA"). WRDA authorizes new projects and makes policy changes that will make natural infrastructure and beneficial use of dredged material more common and was included in the Consolidated Appropriations Act 2021 signed into law on December 27, 2020. This continues the trend of WRDA legislation in each session of Congress since 2014. The legislation provides access to the $9.3 billion in unspent HMTF tax collections, establishes a funds distribution process for HMTF funding and approves projects to proceed to construction.

The Company has one operating segment which is also the Company's one reportable segment and reporting unit.

The Company's vessels are subject to periodic dry dock inspections to verify that the vessels have been maintained in accordance with the rules of the U.S. Coast Guard and the American Bureau of Shipping ("ABS") and that recommended repairs have been satisfactorily completed. Dry dock frequency is a statutory requirement mandated by the U.S. Coast Guard and the ABS. The Company's vessels dry-dock every two to three years or every five years, depending on the vessel type and also on an as-needed basis for occasional unscheduled repairs.

Results of operations

The following tables set forth the components of net income and Adjusted EBITDA, as defined below, as a percentage of contract revenues for the three and nine months ended September 30, 2021 and 2020:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Contract revenues	100.0%	100.0%	100.0 %	100.0 %
Costs of contract revenues	(78.5)	(79.3)	(82.1)	(75.4)
Gross profit	21.5	20.7	17.9	24.6
General and administrative expenses	9.0	8.5	8.9	8.1
Proceeds from loss of use claim	-	(1.0)	-	(0.3)
Gain on sale of assets—net	(0.2)	-	(0.1)	-
Operating income	12.7	13.2	9.1	16.8
Interest expense—net	(2.5)	(3.8)	(3.4)	(3.6)
Other income (expense)	(0.1)	0.1	0.1	(0.1)
Income before income taxes	10.1	9.5	5.8	13.1
Income tax provision	(1.9)	(2.3)	(1.0)	(3.3)
Net income	8.2%	7.2%	4.8 %	9.8 %
Adjusted EBITDA	19.1%	18.3%	15.4 %	21.7 %

Adjusted EBITDA, as provided herein, represents net income (loss) from continuing operations, adjusted for net interest expense, income taxes, depreciation and amortization expense, debt extinguishment, accelerated maintenance expense for new international deployments, goodwill or asset impairments and gains on bargain purchase acquisitions. Adjusted EBITDA is not a measure derived in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The Company presents Adjusted EBITDA as an additional measure by which to evaluate the Company’s operating trends. The Company believes that Adjusted EBITDA is a measure frequently used to evaluate performance of companies with substantial leverage and that the Company’s primary stakeholders (i.e., its stockholders, bondholders and banks) use Adjusted EBITDA to evaluate the Company’s period to period performance. Additionally, management believes that Adjusted EBITDA provides a transparent measure of the Company’s recurring operating performance and allows management and investors to readily view operating trends, perform analytical comparisons and identify strategies to improve operating performance. For this reason, the Company uses a measure based upon Adjusted EBITDA to assess performance for purposes of determining compensation under the Company’s incentive plan. Adjusted EBITDA should not be considered an alternative to, or more meaningful than, amounts determined in accordance with GAAP including: (a) operating income as an indicator of operating performance; or (b) cash flows from operations as a measure of liquidity. As such, the Company’s use of Adjusted EBITDA, instead of a GAAP measure, has limitations as an analytical tool, including the inability to determine profitability or liquidity due to the exclusion of accelerated maintenance expense for new international deployments, goodwill or asset impairments, gains on bargain purchase acquisitions, interest and income tax expense and the associated significant cash requirements and the exclusion of depreciation and amortization, which represent significant and unavoidable operating costs given the level of indebtedness and capital expenditures needed to maintain the Company’s business. For these reasons, the Company uses operating income to measure the Company’s operating performance and uses Adjusted EBITDA only as a supplement. The following is a reconciliation of Adjusted EBITDA to net income:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2021	2020	2021	2020
Net income	$ 13,806	$ 12,547	$ 24,725	$ 55,494
Adjusted for:				
Interest expense—net	4,214	6,719	17,457	20,074
Income tax provision	3,181	4,076	5,399	18,517
Depreciation and amortization	10,993	8,877	31,674	27,584
Adjusted EBITDA	$ 32,194	$ 32,219	$ 79,255	$ 121,669

The Company's contract revenues by type of work, for the periods indicated, were as follows:

Revenues (in thousands)	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020	Change	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020	Change
Dredging:						
Capital—U.S.	$ 111,481	$ 98,194	13.5%	$ 268,486	$ 245,183	9.5%
Capital—foreign	274	9,787	(97.2)%	6,596	20,630	(68.0)%
Coastal protection	15,945	29,780	(46.5)%	109,207	165,668	(34.1)%
Maintenance	35,052	33,453	4.8%	117,631	117,806	(0.1)%
Rivers & lakes	5,886	4,627	27.2%	14,265	12,169	17.2%
Total revenues	$ 168,638	$ 175,841	(4.1)%	$ 516,185	$ 561,456	(8.1)%

Total revenue was $168.6 million for the three months ended September 30, 2021, down $7.2 million, or 4.1%, from $175.8 million for the same period in the prior year. For the three months ended September 30, 2021, the Company experienced an increase in domestic capital, maintenance and rivers & lakes revenues as compared to the same period in the prior year. This increase was offset by a decrease in coastal protection and foreign capital revenue during the current period as compared to the same period in the prior year. For the nine months ended September 30, 2021, total revenue was $516.2 million, down from revenue of $561.5 million for the same period in the prior year, representing a decrease of $45.3 million or 8.1%. For the nine months ended September 30, 2021, the Company experienced a decrease in coastal protection, maintenance and foreign capital revenue as compared to the same period in the prior year. This decrease was slightly offset by an increase in domestic capital and rivers & lakes revenues during the current period as compared to the same period in the prior year.

Capital dredging consists primarily of port expansion projects, which involve the deepening of channels and berthing basins to allow access by larger, deeper draft ships and the provision of land fill used to expand port facilities. In addition to port work, capital projects also include coastal restoration and land reclamations, trench digging for pipelines, tunnels and cables, and other dredging related to the construction of breakwaters, jetties, canals and other marine structures. For the three months ended September 30, 2021, domestic capital dredging revenue was $111.5 million, up $13.3 million, or 13.5%, compared to $98.2 million for the same period in 2020. The increase in capital dredging revenues for the three months ended September 30, 2021 was mostly due to a greater amount of revenue earned on projects in Texas, Massachusetts and Alabama in the current year quarter when compared to the prior year quarter. This increase was partially offset by less revenue earned on projects in Florida, Louisiana, South Carolina and Mississippi in the current quarter. For the nine months ended September 30, 2021, domestic capital revenue was $268.5 million compared to $245.2 million for the same period in 2020, representing an increase of $23.3 million, or 9.5%. The increase in capital dredging revenues for the nine months ended September 30, 2021 was mostly due to a greater amount of revenue earned on projects in Massachusetts, South Carolina and Alabama, in the current year period when compared to the prior year. This increase was partially offset by less revenue earned on projects in Texas, Delaware, Florida and Louisiana in the current year.

Foreign capital projects typically involve land reclamations, channel deepening and port infrastructure development. In the third quarter of 2021, foreign capital revenue was $0.3 million, down $9.5 million, or 97.2%, as compared to $9.8 million in the same quarter in the prior year. Foreign capital revenue for the first nine months of 2021 was $6.6 million which is $14.0 million, or 68.0%, lower than revenue of $20.6 million for the same period of the prior year. The Company continued to earn revenue in 2021 from a project in Bahrain that is essentially completed as of the second quarter of 2021.

Coastal protection projects involve moving sand from the ocean floor to shoreline locations where erosion threatens shoreline assets. Coastal protection revenue for the quarter ended September 30, 2021 was $15.9 million, a decrease of $13.9 million, or 46.6%, compared to $29.8 million in the prior year period. The decrease in coastal protection revenues for the three months ended September 30, 2021 was mostly attributable to a lower amount of revenue earned on projects in Virginia, New Jersey and New York in the current year period when compared to the prior year. This decrease was slightly offset by revenue earned on in Florida and North Carolina in the current year quarter. Coastal protection revenue for the nine months ended September 30, 2021 was $109.2 million, representing a decrease of $56.5 million or 34.1%, from $165.7 million for the same period in 2020. The decrease in coastal protection revenues for the nine months ended September 30, 2021 was mostly due to lower revenue earned on projects in Virginia, New Jersey, South Carolina and Georgia, in the current year period when compared to the prior year. This decrease was partially offset by more revenue earned on projects in North Carolina and Louisiana in the current year.

Maintenance dredging consists of the re-dredging of previously deepened waterways and harbors to remove silt, sand and other accumulated sediments. Due to natural sedimentation, most channels generally require maintenance dredging every one to three years, thus creating a recurring source of dredging work that is typically non-deferrable if optimal navigability is to be maintained. In addition, severe weather such as hurricanes, flooding and droughts can also cause the accumulation of sediments and drive the need for maintenance dredging. Maintenance revenue for the third quarter of 2021 was $35.1 million, up $1.6 million, or 4.8%, from $33.5 million in the third quarter of 2020. The increase in maintenance revenues for the three months ended September 30, 2021 was mostly attributable to a greater amount of revenue earned on projects in Louisiana and Florida in the current year quarter, when compared to the prior year quarter. This increase was partially offset by lower revenue earned on projects in Virginia, New York, New Jersey, Maryland and North Carolina when compared to the prior year quarter. Maintenance revenue for the nine months ended September 30, 2021 was $117.6 million, a decrease of $0.2 million, or 0.1%, compared to $117.8 million for the comparable period in prior year. The decrease in maintenance revenues for the nine months ended September 30, 2021 was mostly due to a greater amount of revenue earned on projects in New York, New Jersey, Maryland, North Carolina and Virginia in the prior year period when compared to the current year. This decrease was partially offset by more revenue earned on projects in Florida, Georgia and Louisiana in the current year.

Rivers & lakes dredging and related operations typically consist of lake and river dredging, inland levee and construction dredging, environmental restoration and habitat improvement and other marine construction projects. During the third quarter of 2021, rivers & lakes revenue was $5.9 million, an increase of $1.3 million, or 28.3%, from $4.6 million during the same period of 2020. The increase in river & lakes revenue for the three months ended September 30, 2021 was mostly attributable to a greater amount of revenue earned on projects in Tennessee in the current year quarter. The increase was partially offset by lower revenue on projects in Mississippi in the current year quarter. Rivers & lakes revenue for the nine months ended September 30, 2021 was $14.3 million, up $2.1 million, or 17.2%, from $12.2 million for the same period in the prior year. The increase in rivers & lakes revenues for the nine months ended September 30, 2021 was mostly due to a greater amount of revenue earned on projects in Tennessee in the current year period, when compared to the prior year. This increase was partially offset by more revenue earned in the Texas in the prior year.

Consolidated gross profit for the quarter ended September 30, 2021 was in line with consolidated gross profit in the same quarter of 2020; $36.3 million as compared to $36.4 million, respectively. Gross profit margin for the three months ended September 30, 2021 was 21.5% compared to 20.7% in the third quarter of 2020. The slightly lower gross profit experienced for the three months ended September 30, 2021 was driven by continued costs related to the third wave of COVID-19 partially offset by lower plant expense. Consolidated gross profit for the nine months ended September 30, 2021 was $92.3 million, down $45.5 million, or 33%, compared to $137.8 million in the same period of the prior year. Gross profit margin for the nine months ended September 30, 2021 was down to 17.9% from 24.5% in the same period in prior year. The lower gross profit experienced for the nine months ended September 30, 2021 was driven by $9.4 million of direct costs related to the third wave of COVID-19 in addition to COVID-19 indirect costs and a decrease in profitability of the Company's coastal protection and foreign dredging projects when compared to the same period in the prior year, offset slightly by higher gross profit in capital dredging projects in the current year.

During the three and nine months ended September 30, 2021, general and administrative expenses were $15.2 million and $45.7 million, respectively, compared to the same periods in the prior year in which the three and nine months totaled $14.9 million and $45.3 million. For the three and nine months ended September 30, 2021, general and administrative expenses include higher technical and consulting expenses related to our engagement with Boston Consulting Group ("BCG") to assist with evaluating the offshore wind market strategy and reviewing other long-term growth strategies for the Company and severance expenses and higher relocation expense related to the headquarter move to Texas. These increases were offset by lower incentive pay and lower employee benefits expenses.

Operating income for the third quarter of 2021 was $21.4 million, down $1.8 million compared to operating income of $23.2 million for the same quarter in 2020 due to proceeds from a loss of use claim in the comparative prior period. Operating income for the nine months ended September 30, 2021 was $46.9 million, down $47.6 million from operating income of $94.5 million in the same period of prior year period. The decrease in operating income for the nine months ended September 30, 2021 was a result of lower gross profit in the current year when compared to the same period in the prior year.

For the three months ended September 30, 2021, net interest expense was $4.2 million, down $2.5 million, or 37% compared with $6.7 million for the prior year quarter. This decrease is due to a lower interest rate on the 2029 Notes in the current year quarter compared to the 8% Notes that were outstanding in the prior year quarter. Net interest expense for the nine months ended September 30, 2021 was $17.5 million, down $2.6 million, or 13% compared with $20.1 million for the same period in the prior year. The net interest expense for the nine months ended September 30, 2021 includes a $1.0 million write-off to extinguishment of subsidiary debt related to the deferred financing fees of the 8% Notes. This expense was offset by the lower interest expense from our newly issued 2029 Notes.

Income tax provision for the three months ended September 30, 2021 was $3.2 million compared to an income tax provision of $4.1 million for the same period in the prior year. For the nine months ended September 30, 2021 and 2020, the Company had an income tax provision of $5.4 million and $18.5 million, respectively. The effective tax rate for the nine months ended September 30, 2021 was 17.9%, down 7.1% from the effective tax rate of 25.0% for the same period of 2020. The decrease in effective tax rate was primarily due to a one-time benefit associated with a stock compensation tax deduction in the current year and an adjustment of tax basis used during the preparation of our prior year provision.

Net income for the quarter ended September 30, 2021 was $13.8 million, an increase of $1.3 million, or 10%, from $12.5 million in the same quarter in the prior year. Diluted earnings per share was $0.21 for the three months ended September 30, 2021, compared to $0.19 for the three months ended September 30, 2020. The increase in net income for the three months ended September 30, 2021 was due to the lower interest expense in current year quarter. Net income for the nine months ended September 30, 2021 was $24.7 million, down $30.8 million, or 55%, from $55.5 million for the same period in the prior year. Diluted earnings per share attributable to continuing operations were $0.37 and $0.84 for the nine months ended September 30, 2021 and 2020, respectively. The decrease in net income for the nine months ended September 30, 2021 was primarily driven by the decrease to gross profit. This decrease was slightly offset by a $1.1 million increase in other income and a $13.1 million decrease in income tax provision during the current year when compared to the same period in the prior year.

Adjusted EBITDA (as defined on page 17) was relatively flat at $32.2 million for both quarters ended September 30, 2021 and 2020. For the nine months ended September 30, 2021, Adjusted EBITDA was $79.3 million, down $42.4 million, or 35%, from $121.7 million during the same period in the prior year. The decrease in Adjusted EBITDA during the first nine months of 2021 was driven by the decrease in gross profit, excluding depreciation.

Bidding activity and backlog

The following table sets forth, by type of work, the Company's backlog as of the dates indicated:

Backlog (in thousands)	**September 30, 2021**	**December 31, 2020**	**September 30, 2020**
Dredging:			
Capital - U.S.	$ 411,354	$ 320,920	$ 411,621
Capital - foreign	-	6,865	11,050
Coastal protection	139,072	97,986	109,374
Maintenance	39,155	125,090	110,879
Rivers & lakes	8,900	8,515	18,357
Total backlog	$ 598,481	$ 559,376	$ 661,281

The Company's contract backlog represents its estimate of the revenues that will be realized under the portion of the contracts remaining to be performed. These estimates are based primarily upon the time and costs required to mobilize the necessary assets to and from the project site, the amount and type of material to be dredged and the expected production capabilities of the equipment performing the work. However, these estimates are necessarily subject to variances based upon actual circumstances. Because of these factors, as well as factors affecting the time required to complete each job, backlog is not always indicative of future revenues or profitability. Also, 84% of the Company's September 30, 2021 dredging backlog relates to federal government contracts, which can be canceled at any time without penalty to the government, subject to the Company's contractual right to recover the Company's actual committed costs and profit on work performed up to the date of cancellation. The Company's backlog may fluctuate significantly from quarter to quarter based upon the type and size of the projects the Company is awarded from the bid market. The Company's backlog includes only those projects for which the Company has obtained a signed contract with the customer. A quarterly increase or decrease of the Company's backlog does not necessarily result in an improvement or a deterioration of the Company's business.

The domestic dredging bid market for the quarter ended September 30, 2021 was $876.7 million, a $50.2 million decrease compared to the same period in the prior year. Total domestic dredging bid market for the current year period included awards for the third phase of the Corpus Christi Deepening project, one capital project in Virginia, one capital project in New England, two coastal protection projects in New York, one coastal protection project in Philadelphia, and one coastal protection project in Jacksonville. For the contracts awarded in the current year, the Company won 58.3%, or $365.2 million, of domestic capital projects, and 57.6%, or $172.4 million, of the coastal protection projects, through September 30, 2021. The Company won 37.1% of the overall domestic bid market for the nine months ended September 30, 2021, which is slightly higher than the Company's prior three year average of 36.6%. Variability in contract wins from quarter to quarter is not unusual and one quarter's win rate is generally not indicative of the win rate the Company is likely to achieve for a full year.

The Company's contracted dredging backlog was $598.5 million at September 30, 2021 compared to $559.4 million of backlog at December 31, 2020. These amounts do not reflect approximately $533.9 million of domestic low bids pending formal award and additional phases ("options") pending on projects currently in backlog at September 30, 2021. Post quarter end, the Company added an additional $106.9 million to low bids pending award. At December 31, 2020 the amount of domestic low bids and options pending award was $472.3 million.

Domestic capital dredging backlog at September 30, 2021 increased $90.4 million compared to December 31, 2020. In the nine months ended September 30, 2021, the Company was awarded the third phase of the Boston Harbor deepening project, the additional phase of the Corpus Christi deepening project and the Thimble Shoal deepening and renourishment project. During the nine months ended September 30, 2021, the Company continued to earn revenue on deepening projects in Charleston, Jacksonville, the Gulf Coast region, a coastal restoration project in Louisiana and a liquefied natural gas project in Louisiana. Government funded projects coming into the pipeline include new deepenings for ports in Alabama and the Everglades in Florida. These deepenings continue the trend of ensuring all East Coast and Gulf of Mexico ports will be able to accommodate the deeper draft vessels currently used on several trade routes. In addition, multiple project phases for port deepenings in Norfolk and the Houston ship channel are expected to continue for the next several years. The nation's governors continue to show commitment to their respective ports through engagement and funding. Finally, Congress has also shown a commitment to ports and waterways, providing record annual budgets for the Corps for port deepening and channel maintenance. In addition to this port work, a greater amount of coastal restoration and rehabilitation projects are being funded in the Gulf Coast region as the states utilize available monies for ecosystem priorities, a portion of which is allocated to dredging.

Foreign capital dredging backlog at September 30, 2021 was $6.9 million lower than at December 31, 2020. During the nine months ended September 30, 2021, the Company earned the remaining revenue on a project in the Middle East which was in backlog at December 31, 2020. The Company is not currently active nor does it have dredges located in any foreign markets.

Coastal protection dredging backlog increased $41.1 million from December 31, 2020. In the nine months ended September 30, 2021, the Company was awarded three coastal protection projects of $28.5 million, $15.6 million and $11.3 million in Florida along with two coastal protection projects in New Jersey and one in New York for $12.1 million, $26.6 million and $47.5 million, respectively. During the nine months ended September 30, 2021, the Company continued to earn revenue on coastal protection projects in New Jersey, North Carolina, and Florida which were in backlog at December 31, 2020. Coastal protection and storm impacts continue to provide the major impetus for coastal project investment at federal and state levels. Strong hurricane and storm seasons have resulted in an increase in beach erosion and other damage which adds to the recurring nature of our business and the need for more frequent coastal protection and port maintenance projects. As a result of the extreme storm systems in prior years involving Hurricanes Harvey, Irma, and Maria, the U.S. Congress passed supplemental appropriations for disaster relief and recovery which includes $17.4 billion for the Corps to fund projects that will reduce the risk of future damage from flood and storm events. The Corps is beginning to provide visibility on its plans for this money, and it is expected that approximately $1.8 billion will be allocated to dredging-related work. Most of this work is anticipated to be coastal protection related, but some funding may be provided for channel maintenance. During 2019, an additional $3.3 billion of supplemental appropriations was approved for disaster relief funding as a result of Hurricane Florence and Hurricane Michael. During 2021, as a result of powerful storms like Hurricane Ida, $11.6 billion was included in the $1.2 trillion federal infrastructure bill which was passed by the U.S. Senate and is currently awaiting House of Representative approval. This bill designates funds specifically for the Corps to improve the nation's resilience to the effects of climate change, including flood control and waterway dredging.

Maintenance dredging backlog decreased $85.9 million from December 31, 2020. In the nine months ended September 30, 2021, the Company was awarded a maintenance project of $24.3 million in the Gulf region and another project for $3.3 million in Florida. During the nine months ended September 30, 2021, the Company continued to earn revenue on projects in Louisiana, North Carolina and Florida which were in backlog at December 31, 2020. Past WRDA bills called for full use of the HMTF for its intended purpose of maintaining future access to the waterways and ports that support our nation's economy. On March 27, 2020, the U.S. government enacted the CARES Act which includes a provision that lifts caps on the HMTF, thereby allowing full access to future annual revenues. Through the increased appropriation of HMTF monies, the Company anticipates increased funding for harbor maintenance projects to be let for bid.

Rivers & lakes backlog at September 30, 2021 was up $0.4 million compared to backlog at December 31, 2020. In the nine months ended September 30, 2021, the Company was awarded one rivers & lakes project in Tennessee. For the nine months ended September 30, 2021, the Company continued to earn revenue on projects in Texas and Mississippi which was in backlog at December 31, 2020.

Liquidity and capital resources

The Company's principal sources of liquidity are net cash flows provided by operating activities and proceeds from previous issuances of long-term debt. The Company's principal uses of cash are to meet debt service requirements, finance capital expenditures, provide working capital and other general corporate purposes.

The Company's cash provided by operating activities for the nine months ended September 30, 2021 and 2020 was $42.8 million and $76.0 million, respectively. Normal increases or decreases in the level of working capital relative to the level of operational activity impact cash flow from operating activities. The decrease in cash provided by operating activities during the nine months ended September 30, 2021 compared to the same period in the prior year was driven by lower net income in current year. The lower income results in lower utilization of deferred tax assets in the current year which partially offsets the lower net income. In addition, the Company had a lower investment in working capital during the current year when compared to the same period in the prior year.

The Company's cash flows used in investing activities for the nine months ended September 30, 2021 and 2020 totaled $77.6 million and $29.2 million, respectively. Investing activities primarily relate to normal course upgrades and capital maintenance of the Company's dredging fleet. The Company entered into a contract to build a Trailing Suction Hopper Dredge in June 2020 and, later, in December 2020 the Company announced the design and development of the first U.S. flagged Jones Act compliant, inclined fall-pipe vessel for subsea rock installation for wind turbine foundations to support the new U.S. offshore wind industry. In July 2021, the Company announced a contract to build two multifunctional all-purpose vessels ("multicats"). During the nine months ended September 30, 2021, the Company has invested $39.5 million towards these new vessels along with smaller scow vessels. In addition, the Company spent $16.4 million to acquire two dredges that had previously been leased. The Company received $4.2 million in proceeds from dispositions of property and equipment in the current year period compared to $0.9 million in the prior year period.

The Company's cash flows used in financing activities for the nine months ended September 30, 2021 and 2020 totaled $5.9 million and $4.1 million, respectively. The increase in cash used in financing activities relates to $4.4 million of deferred financing fees paid related to the newly issued $325 million of the 2029 Notes and changes in the taxes paid on settlement of vested shares awards, offset slightly by increase cash from the Company's employee stock purchase plan. Of the previously announced $75.0 million share repurchase program, the Company repurchased $3.9 million of common stock in the third quarter of 2020 and none during the period ended September 30, 2021.

The Company maintains a favorable cash on hand position and revolver availability and as a result is well positioned for changes in the current economic environment. In the first half of the current year, the Company began to experience more considerable operational interruptions and direct costs related to the third wave of the COVID-19 pandemic. The impacted projects are now back in operation, but the Company will continue to assess the potential economic impact that the virus and pandemic could have on the Company's operations and liquidity.

Senior notes

In May 2021 the Company sold $325 million of 2029 Notes pursuant to a private offering. The 2029 Notes were priced to investors at par and will mature on June 1, 2029. The Company used the net proceeds from the offering, together with cash on hand, to redeem all $325 million aggregate principal amount of its outstanding 8% Notes.

The 2029 Notes are senior unsecured obligations of the Company and are guaranteed on a senior unsecured basis by the guarantors and any other subsidiary guarantors that from time to time become parties to the indenture. The terms of the indenture, among other things, limit the ability of the Company and its restricted subsidiaries to (i) pay dividends, or make certain other restricted payments or investments; (ii) incur additional indebtedness and issue disqualified stock; (iii) create liens on their assets; (iv) transfer and sell assets; (v) enter into certain business combinations with third parties or enter into certain other transactions with affiliates; (vi) create restrictions on dividends or other payments by the Company's restricted subsidiaries; and (vii) create guarantees of indebtedness by restricted subsidiaries. These covenants are subject to a number of important limitations and exceptions that are described in the indenture.

Commitments, contingencies and liquidity matters

Refer to Note 4, Long-term debt, in the Notes to Condensed Consolidated Financial Statements for discussion of the Company's Amended Credit Agreement. Additionally, refer to Note 8, Commitments and contingencies, in the Notes to Condensed Consolidated Financial Statements for discussion of the Company's surety agreements.

The Company intends to upgrade its existing domestic fleet by acquiring new vessels, equipment and technology to increase productivity and efficiency and further enhance safety. Existing cash on hand, future net cash flows, debt financing and new leases are all available funding resources from which the Company will evaluate its options when considering these upgrades.

The Company believes its cash and cash equivalents, its anticipated cash flows from operations and availability under its revolving credit facility will be sufficient to fund the Company's operations, capital expenditures and the scheduled debt service requirements for the next twelve months. Beyond the next twelve months, the Company's ability to fund its working capital needs, planned capital expenditures, scheduled debt payments and dividends, if any, and to comply with all the financial covenants under the Amended Credit Agreement and bonding agreements, depends on its future operating performance and cash flows, which in turn, are subject to prevailing economic conditions and to financial, business and other factors, some of which are beyond the Company's control.

Critical accounting policies and estimates

In preparing its consolidated financial statements, the Company follows GAAP, which is described in Note 1, Basis of presentation, to the Company's December 31, 2020 Consolidated Financial Statements included on Form 10-K. The application of these principles requires significant judgments or an estimation process that can affect the results of operations, financial position and cash flows of the Company, as well as the related footnote disclosures. The Company continually reviews its accounting policies and financial information disclosures. Except as noted in Note 1, Basis of presentation, of the Company's financial statements, there have been no material changes in the Company's critical accounting policies or estimates since December 31, 2020.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

The market risk of the Company's financial instruments as of September 30, 2021 has not materially changed since December 31, 2020. The market risk profile of the Company on December 31, 2020 is disclosed in Item 7A. "Quantitative and Qualitative Disclosures about Market Risk" of the Company's Annual Report on Form 10-K for the year ended December 31, 2020.

Item 4. Controls and Procedures.

a) Evaluation of disclosure controls and procedures.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures, as required by Rule 13a-15(b) and 15d-15(b) under the Securities Exchange Act of 1934 (the "Exchange Act") as of September 30, 2021. Our disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act a) is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding disclosure and b) is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

Our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of September 30, 2021 in providing such a reasonable assurance.

b) Changes in internal control over financial reporting.

There have been no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) during the fiscal quarter ended September 30, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 1. Legal Proceedings.

See Note 8, Commitments and contingencies, in the Notes to Condensed Consolidated Financial Statements.

Item 1A. Risk Factors.

There have been no material changes, except for the following, during the nine months ended September 30, 2021 to the risk factors previously disclosed in Item 1A. “Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2020, as supplemented by the risk factor previously disclosed in Item 1A. “Risk Factors” in the Company’s Quarterly Report on Form 10-Q for the quarter ended September 30, 2021.

The Company could face liabilities and/or damage to our reputation as a result of certain legal and regulatory proceedings, including a recent legal proceeding in Louisiana.

The Company operates in a highly regulated environment with constantly evolving legal and regulatory frameworks. From time to time, the Company is subject to legal and regulatory proceedings in the ordinary course of its business. These include proceedings relating to aspects of its businesses that are specific to the Company and proceedings that are typical in the businesses in which it operates.

On April 22, 2021, the U.S. Attorney’s Office for the Eastern District of Louisiana filed a bill of information against the Company charging the Company with a negligent discharge violation of the Clean Water Act arising from a September 2016 oil spill. The spill occurred during the Company’s Cheniere Ronquille project and resulted in the discharge of around one hundred sixty barrels of crude oil in Bay Long, Louisiana. The Company has cooperated with the U.S. Attorney’s Office and other relevant agencies in their investigation of the oil spill and on June 15, 2021, the Company pleaded guilty to the misdemeanor violation alleged in the bill of information and agreed to pay a fine of $1.0 million. As a result, the government may initiate suspension or statutory debarment proceedings against us, which might prohibit us from bidding for, entering into or completing certain government projects. These suspension or statutory debarment actions may be limited in time and scope, but the Company cannot guarantee that any such action will not have a material adverse effect on its business, results of operations, cash flows or financial condition. In addition, this matter may lead to negative publicity and press speculation about the Company, whether valid or not, which may harm our reputation and be damaging to our business, results of operations, cash flows or financial condition.

The Company is currently a defendant in a number of other litigation matters, including those described in Note 8, Commitments and contingencies, in the Notes to Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q. In certain of these matters, the plaintiffs are seeking large and/or indeterminate amounts of damages. These matters are also subject to many uncertainties, and it is possible that some of these matters could ultimately be decided, resolved or settled adversely to the Company. An adverse outcome in a legal or regulatory matter could, depending on the facts, have an adverse effect on the Company’s business, results of operations, cash flows or financial condition.

Furthermore, whether the ultimate outcomes are favorable or unfavorable, these matters can also have significant adverse reputational impacts, including negative publicity and press speculation about the Company, whether valid or not, which may be damaging to the Company’s business, results of operations, cash flows or financial condition.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

The following table provides information regarding repurchases of the Company’s common stock by the Company during the quarter ended September 30, 2021:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Aggregate Dollar Value That May Yet Be Purchased Under the Plans or Programs (1)
July 1, 2021 - July 31, 2021	0	$ -	0	$ 71,127,473
August 1, 2021 - August 31, 2021	0	$ -	0	$ -
September 1, 2021 - September 30, 2021	0	$ -	0	$ -
Total	0	$ -	0	$ 71,127,473

(1) On August 4, 2020, the Company announced a share repurchase program approved by its board of directors, authorizing, but not obligating, the repurchase of up to an aggregate amount of $75,000,000 of its common stock from time to time through July 31, 2021.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Number	Document Description
10.1	Employment Agreement, dated September 29, 2021, between Great Lakes Dredge & Dock Corporation and Scott L. Kornblau (incorporated by reference to Great Lakes Dredge & Dock Corporation’s Current Report on Form 8-K filed with the Commission on September 29, 2021 (Commission file no. 001-33225)).†
10.2	Separation Agreement, dated October 7, 2021, between Great Lakes Dredge & Dock Corporation and Mark W. Marinko. †*
31.1	Certification Pursuant to Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. *
31.2	Certification Pursuant to Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. *
32.1	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. **
32.2	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. **
101	Interactive Data Files pursuant to Rule 405 of Regulation S-T formatted in Inline Extensible Business Reporting Language ("Inline XBRL") *
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101) *

* Filed herewith
** Furnished herewith
† Compensatory plan or arrangement

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 thereunto duly authorized.

Great Lakes Dredge & Dock Corporation
(registrant)

By: /s/ SCOTT KORNBLAU

Scott Kornblau
Senior Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer and Duly Authorized Officer)

Date: November 2, 2021

Exhibit 10.2

SEPARATION AND GENERAL RELEASE AGREEMENT

Caution: Read Carefully
This Is A Release Of All Claims

THIS SEPARATION AND GENERAL RELEASE AGREEMENT ("Agreement") is voluntarily entered into as of the date(s) set forth below by and between the undersigned individual employee, Mark W. Marinko (“Marinko”), and Great Lakes Dredge & Dock Corporation with and on behalf of its wholly owned subsidiary Great Lakes Dredge & Dock Company, LLC (together, the "Company").

WHEREAS, the Company and Marinko are parties to that certain Employment Agreement effective September 12, 2014 (“Employment Agreement”); and

WHEREAS, the Employment Agreement provides for certain payments and benefits to be made and provided upon a termination without Cause under Section 3.3(a) and (b) thereof, subject to and on the condition of the execution and non-revocation of a separation agreement and general release in a form and substance reasonably acceptable to the Company, being this Agreement; and

WHEREAS, Marinko and the Company have reached mutual agreement on the separation of Marinko’s employment by his termination without Cause effective as of September 30, 2021 ("Separation Date");

NOW, THEREFORE, in consideration of the mutual understandings, covenants, and the release contained in this Agreement, the Company and Marinko hereby voluntarily agree as follows:

1. **Definitions**. Specific terms used in this Agreement have the following meanings: (a) words such as "I," "me," and "my" include both the undersigned, Mark W. Marinko, and anyone who has or obtains any legal right or claims through me; and (b) "Company" means Great Lakes Dredge & Dock Corporation with and on behalf of its wholly owned subsidiary Great Lakes Dredge & Dock Company, LLC, all of their past and present officers, directors, stockholders, employees, trustees, parent corporations, agents, members, affiliates, attorneys, insurers, any and all employee benefit plans (and any fiduciary of such plans) sponsored by such entities, and each such entity's subsidiaries, predecessors, successors, and assigns, and all other entities, persons, firms, or corporations liable or who might be claimed to be liable, none of whom admit any liability to me, but all of whom expressly deny any such liability.

2. **My Claims**. The claims I am releasing ("My Claims") include all of my rights to any relief of any kind from the Company, including without limitation, all claims I have now, whether or not I now know about the claims. These claims, which I hereby release, include, but are not limited to the following:

(a) all claims relating to my employment with the Company, or the termination of that employment, including, but not limited to, any claims arising under the Fair Labor Standards Act; Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1866; the Age Discrimination in Employment Act ("ADEA"); the Older Worker Benefits Protection

Act ("OWBPA"); the Employee Retirement Income Security Act; the Family and Medical Leave Act ("FMLA") (to the extent that FMLA claims may be released under governing law); the Families First Coronavirus Response Act ("FFCRA"), the Americans with Disabilities Act; the applicable state civil rights laws; and/or any other federal, state or local law;

(b) all claims under any principle of common law or equity, including but not limited to, claims for alleged unpaid compensation or other monies; commissions; any tort; breach of contract; and any other allegedly wrongful employment practices; and

(c) all claims for any type of relief from the Company, including but not limited to, claims for damages, costs and attorney's fees.

In addition to these claims being released, I acknowledge that I have not suffered any physical or mental injuries arising out of my employment with the Company or the termination of that employment. I will take all steps necessary to withdraw or terminate any charges or complaints I have filed.

3. **Exclusions From Release.** I understand that My Claims released under this Agreement do not include any rights or claims that may arise after my execution of this Agreement or claims for any payments or benefits to which I am entitled under this Agreement. I understand I do not waive future claims. Also, I further understand that nothing in this Agreement shall in any way adversely affect whatever vested rights I may have to benefits under any retirement or other employee benefit plan of the Company, subject to the terms and conditions of any such plan, or any rights I had prior to the Separation Date to be indemnified by the Company or to coverage under any directors and officers insurance policy and any run-off policy thereto, subject in each case to the terms and conditions of any such policy. In addition, I acknowledge that this Agreement is not intended to (a) prevent me from filing a charge or complaint including a challenge to the validity of this Agreement, with the Equal Employment Opportunity Commission ("EEOC"); (b) prevent me from participating in any investigation or proceeding conducted by the EEOC; or (c) establish a condition precedent or other barrier to exercising these rights. While I have the right to participate in an investigation, I understand that I am waiving my right to any monetary recovery arising from any investigation or pursuit of claim on my behalf. I acknowledge that I have the right to file a charge alleging a violation of the ADEA with any administrative agency and/or to challenge the validity of the waiver and release of any claim I might have under the ADEA without either: (a) repaying to the Company the amounts paid by it to me or on my behalf under this Agreement; or (b) paying to the Company any other monetary amounts (such as attorney's fees and/or damages).

4. **Company's Agreement to Make Payments to Me**. In exchange for my release and other promises made by me in this Agreement, the Company agrees that it shall:

(a) make a separation payment to me in the amount of Six Hundred Fifteen Thousand Sixty Dollars and No Cents ($615,060.00) (less taxes and other required deductions and withholdings), which is an amount equivalent to eighteen (18) months of my current salary ("Separation Payment"), which shall be paid to me in equal installments on each regularly scheduled payroll pay date during the eighteen (18) month period that begins on the first day immediately after the Effective Date as provided in Paragraph 12, subject to Paragraph 16, below;

(b) make a payment to me in the amount of Five Hundred Seventy-One Thousand Six Hundred Ninety-Eight Dollars and Forty-Nine Cents ($571,698.49) (less taxes and other required deductions and withholdings), which is an amount equal to 1.5 times the average of my actual annual bonus (on an annualized basis) and the Supplemental Savings Plan benefits over the three years immediately preceding the Separation Date. Such amount will be paid when all other Company executives receive such payments, but in no event later than March 15, 2022;

(c) pay to me the pro rata portion of the annual bonus at the target level ($199,894.50) and the Supplemental Savings Plan benefits earned through the Separation Date (less taxes and other required deductions and withholdings). Such amount will be paid when all other Company executives receive such payments, but in no event later than March 15, 2022;

(d) continue coverage for me (and my spouse and eligible dependents, to the extent they have been provided with coverage on the date immediately prior to the Separation Date and otherwise continue to be eligible for coverage under the terms of the applicable governing documents) under the Company's medical and dental plans pursuant to COBRA, for up to eighteen (18) months from the Separation Date ("Benefits Period"). During the Benefits Period, the Company will reduce my Separation Payment by my share of the cost of these benefits, which is fixed at the amount I had been paying for such coverage on the date immediately prior to the Separation Date. After the Benefits Period, I (and my spouse and eligible dependents, as applicable) may be eligible for continuation coverage under COBRA or other similar state statute at my sole expense. Notwithstanding the foregoing, the Company may find alternate medical and dental plan coverage if, by law or other restrictions outside the control of the Company, continued coverage under the Company's health plans pursuant to COBRA is not permitted; and

(e) provide to me eighteen (18) months of age and vesting credit for any unvested equity awards measured from the Separation Date.

I acknowledge that the payments and benefits described above constitute full and fair consideration for the release of My Claims, that the Company is not otherwise obligated to make these payments or provide these benefits to me, and that they are in addition to any other sums or benefits to which I am otherwise due. I acknowledge and agree that the above payments and other consideration are in full satisfaction of any rights, benefits, payments, amounts, items of value, or other consideration of any kind due to me under the terms of the Employment Agreement and/or any applicable Great Lakes Dredge & Dock Company Severance Pay Plan or otherwise. I understand that I will also receive payment in the amount of Twenty-Six Thousand Eight Hundred Ten Dollars and thirty-one Cents ($26,810.31) (less taxes and other required deductions and withholdings) for all accrued but unused vacation (17 days). I acknowledge that I have received all other forms of compensation, of whatever kind, that may be due to me by the Company, including, without limitation, base salary, employer profit-sharing contributions to the Company's 401(k) plan or any other amounts earned by me prior to the Separation Date or provided for under the terms of the Employment Agreement or otherwise, and that I have not been denied any form of leave (paid and/or unpaid) to which I am or was otherwise entitled.

5. **Return of Company Property**. I hereby represent and warrant that I have returned to the Company all of its property that was ever in my possession or control. This property includes, but is not limited to, financial and other business records, personnel records, office and other keys, directories, computer hardware and software, passwords, books, documents, memoranda, and all other records, and copies of all such items.

6. **Termination of Relationship.** I acknowledge that my employment has been separated as of the Separation Date. I acknowledge that neither the Company nor its successors have any obligation, contractual or otherwise, to rehire, reemploy, recall, or hire me in the future. I understand that this Agreement does not constitute an admission of wrongdoing by any party. I also understand and agree that all post-employment restrictive covenants, confidentiality, and other continuing obligations to the Company remain in full effect for the period of time stated in any written agreement between me and the Company, including without limitation those contained in the Employment Agreement (including without limitation those contained in Articles IV and V thereof), and as imposed by law. I further understand that (a) as provided in Section 4.6 of the Employment Agreement, upon a breach by me of any provision of Article IV of the Employment Agreement, any outstanding Severance Pay (as defined in Section 3.3 of the Employment Agreement and as provided for in this Agreement) shall cease and be forfeited, and I shall immediately reimburse the Company for any Severance Pay previously paid, and (b) as further provided in Section 3.6 of the Employment Agreement, any obligation of the Company to provide the Severance Pay shall cease (i) upon my material breach of my contractual obligations to the Company, including those set forth in Article IV or Article V of the Employment Agreement, or in this Agreement, or (ii) if, after my termination, the Company discovers facts and circumstances that would have justified a termination for Cause (as defined in the Employment Agreement).

7. **Consultation with Attorney**. I acknowledge that the Company has advised me that it is up to me as to whether I consult an attorney or representative of my choosing prior to signing this Agreement, and that the Company has advised and hereby does advise that I should do so.

8. **Confidentiality and Non-Disparagement**. In further consideration of the payments and benefits set forth above, which are valid and bargained for, I agree as follows:

(a) *Confidentiality:* I agree, consistent with applicable law, to protect the Company from intrusion into its business by not disclosing to any third-party any confidential information or trade secrets of the Company. Such information includes, but is not limited to, confidential information regarding the credit and collection activities of the Company, and information regarding the Company's employees, services, marketing strategies, business plans, operations, costs, research and development efforts, technical data and know-how, financial information, internal procedures, forecasts, methods, trade secrets, software programs, project requirements, inventions, trademarks, trade names, and similar information regarding the Company's business (collectively referred to as "Confidential Information"). I agree that all such Confidential Information is and shall remain the sole and exclusive property of the Company. Except as may be expressly authorized by the

Company in writing, or as may be required by law after providing due notice thereof to the Company, I agree not to disclose, or cause any other person or entity to disclose, any Confidential Information to any third party as long as such information remains confidential (or as limited by applicable law) and I agree not to make use of any such Confidential Information for my own purpose or for the benefit of any other entity or person. All duties and obligations set forth in this Agreement regarding Confidential Information shall be in addition to and not in lieu of those which exist under the terms of my Employment Agreement and applicable state trade secret act(s) and at common law. I further understand that it is an essential and material condition of this Agreement that the existence and terms of this Agreement are to remain strictly confidential and shall not be disclosed by me to any person other than to my attorney, my accountant or my spouse, if any, or as required by law. Confidentiality is my preference and is mutually beneficial to both parties. I understand and acknowledge that the Company may be required to disclose this Agreement and/or its terms in compliance with its obligations under applicable law. Nothing in this confidentiality statement or Agreement prohibits me from reporting possible violations of federal, state, or local law or regulation, including alleged criminal conduct or unlawful employment practices, to any governmental agency or entity, including but not limited to the Department of Justice, the Securities and Exchange Commission, the U.S. Congress, and any Agency Inspector General, or making other disclosures (including but not limited to providing documents or other information) that are protected under the whistleblower provisions of federal law or regulation. I do not need the prior authorization of the Company to make any such reports or disclosures, and I am not required to notify the Company that I have made such reports or disclosures. I am also not limited in my right to receive an award for information provided to any government agency or entity. As provided by federal law (18 U.S.C. §1833), I understand that I will not be held criminally or civilly liable under any federal or state trade secret law for my disclosure of a trade secret that is made by me: (a) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (b) in a complaint or other document filed by me in a lawsuit or other proceeding, on the condition that such filing is made under seal.

(b) *<u>Non-Disparagement:</u>* I agree to refrain from making any disparaging or defamatory comments to anyone (including, but not limited to, the Company's customers) concerning the Company, its employees, agents, operations, or plans. The current Board of Directors and Executive Team of the Company agree to refrain from making in their official capacity any disparaging or defamatory comments concerning me, Mark Marinko. I agree that any inquiries concerning the Company shall be directed to the Chief Human Resources Officer of the Company for response. In further protection of the interests of the Company, I agree that, as to any matters currently pending, or which arise relating to my employment with the Company, I will cooperate with the Company and its attorneys in connection with any proceeding involving the Company before a court, an administrative agency, governmental organization, or an arbitrator. I understand and acknowledge that I also have certain continuing assistance and cooperation requirements under Section 5.2 of the Employment Agreement as stated therein.

9. **<u>Violation of Agreement</u>**. If any legal action or other proceeding is brought for the enforcement of this Agreement, the non-breaching party shall be able to recover from the breaching party its reasonable attorney's fees, court costs and all expenses (including, without limitation, all such fees, costs and expenses incident to appeals), incurred in that action or

proceeding, in addition to any other relief to which such party or parties may be entitled. The parties agree that Illinois law will apply to the interpretation of this Agreement, and that exclusive venue shall exist with the courts of Illinois or the U.S. District Court for the Northern District of Illinois.

10. **Severability**. I understand, and it is my intent, that in the event this Agreement is ever held to be invalid or unenforceable (in whole or in part) as to any particular type of claim or charge or as to any particular circumstances, it shall remain fully valid and enforceable as to all other claims, charges, and circumstances.

11. **Period to Consider Agreement and Expiration of Offer**. As required by the ADEA and the OWBPA, I understand that I have twenty-one (21) calendar days from the day that I receive this Agreement, not counting the day upon which I received it, to consider whether I wish to sign it. If I sign this Agreement before the end of the twenty-one (21) calendar day period, it will be my personal and voluntary decision to do so. I also understand that if I fail to deliver this Agreement to the Company within said period of time, it shall expire and be deemed withdrawn by the Company. The parties agree that changes to this Agreement, whether material or immaterial, do not restart the running of the twenty-one (21) calendar day period.

12. **Right to Revoke Agreement**. I understand that I may revoke this Agreement at any time within seven (7) calendar days after I sign it, not counting the day upon which I sign it. This Agreement will not become effective or enforceable unless and until the seven (7) calendar day revocation period has expired without my revoking it, i.e. on the eighth calendar day after I sign this Agreement ("Effective Date").

13. **Procedure to Accept or Revoke**. To accept this Agreement, I must deliver the Agreement, after it has been signed and dated by me, to the Company, by hand or by mail, and it must be received by the Company within the twenty-one (21) calendar day period that I have to consider this Agreement. To revoke my acceptance, I must deliver a written, signed statement that I revoke my acceptance to the Company by hand or by mail and any such notice of revocation must be received by the Company within seven (7) calendar days after I signed the Agreement. All deliveries shall be made to the Company at the following address, marked "Personal and Confidential": Great Lakes Dredge & Dock Company, LLC; 9811 Katy Freeway, Suite 1200, Houston, TX 77024; ATTN: James Tastard, Chief Human Resources and Administrative Officer (with additional contact information being JTastard@gldd.com). If I choose to deliver my acceptance or revocation notice by mail, it must be: (a) postmarked and received by the above-named individual at the Company within the applicable period stated above; (b) properly addressed to the Company at the address stated above; and (c) sent by certified mail, return receipt requested.

14. **My Representations**. I HAVE READ THIS AGREEMENT CAREFULLY, I HAVE HAD AN ADEQUATE OPPORTUNITY TO CONSULT AN ATTORNEY, AND I UNDERSTAND ALL OF ITS TERMS. IN AGREEING TO SIGN THIS AGREEMENT, I HAVE NOT RELIED ON ANY STATEMENTS OR EXPLANATIONS MADE BY THE COMPANY, EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT. I ALSO UNDERSTAND AND AGREE THAT THIS AGREEMENT CONTAINS ALL OF THE AGREEMENTS BETWEEN THE COMPANY AND ME RELATING TO THE MATTERS INCLUDED IN THIS AGREEMENT, EXCEPT AS TO ANY CONTINUING OBLIGATIONS AND ADDITIONAL

CONFIDENTIALITY AND RESTRICTIVE COVENANT AGREEMENTS TO WHICH I AM ALSO A PARTY INCLUDING WITHOUT LIMITATION THOSE CONTAINED IN THE EMPLOYMENT AGREEMENT. I ALSO AGREE THAT THIS AGREEMENT MAY BE EXECUTED IN ONE OR MORE COUNTERPARTS, ALL OF WHICH, TAKEN TOGETHER, SHALL CONSTITUTE ONE AND THE SAME AGREEMENT.

15. **Medicare Addendum**. I represent that (a) I am not enrolled in Medicare, and (b) I have not received any treatment covered by Medicare related to My Claims.

16. **Code Section 409A**. All payments to be made to me and consideration provided as a result of my termination of employment under this Agreement may be made only upon a "separation from service" under section 409A of the Internal Revenue Code of 1986, as amended ("Code"). For purposes of section 409A of the Code, any right to receive a series of installment payments under this Agreement shall be treated as a right to a series of separate payments. Further, for purposes of the limitations on nonqualified deferred compensation under section 409A of the Code, each payment of compensation under this Agreement shall be treated as a separate payment. In no event may I, directly or indirectly, designate the calendar year of a payment.

Severance benefits under this Agreement are intended to be exempt from section 409A of the Code under the "short-term deferral" exception or the "separation pay" exception to the maximum extent applicable. Any payments hereunder that qualify for an exception under section 409A of the Code shall be paid under the applicable exception.

Any payment or other consideration under this Agreement that is contingent upon the signing and non-revocation of a release shall be paid on the Company's first regular payroll date following the date on which the release becomes effective and non-revocable (or the date otherwise provided in the Agreement); provided, however, that if the maximum period for consideration and revocation of the release begins in one calendar year and ends in the next calendar year, such payment or other consideration shall be paid in the later calendar year.

[*Signature Page Follows*]

Date: 10/7/21

Printed Name: Mark W. Marinko

Signature: /s/ Mark W. Marinko

Witness:

/s/ Nancy J. Marinko

Received and agreed to by Great Lakes Dredge & Dock Corporation with and on behalf of its wholly owned subsidiary Great Lakes Dredge & Dock Company, LLC on behalf of themselves and all other persons and entities released herein:

By: /s/ James J. Tastard

James J. Tastard

Date: October 7, 2021

Exhibit 31.1

CERTIFICATIONS PURSUANT TO
SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

CERTIFICATION

I, Lasse J. Petterson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Great Lakes Dredge & Dock Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 2, 2021

/s/ LASSE J. PETTERSON
Lasse J. Petterson
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS PURSUANT TO
SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

CERTIFICATION

I, Scott Kornblau, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Great Lakes Dredge & Dock Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 2, 2021

/s/ SCOTT KORNBLAU
Scott Kornblau
Senior Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Great Lakes Dredge & Dock Corporation (the “Company”) on Form 10-Q for the period ended September 30, 2021, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Lasse J. Petterson, President and Chief Executive Officer of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by Great Lakes Dredge & Dock Corporation for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

/s/ LASSE J. PETTERSON
Lasse J. Petterson
President and Chief Executive Officer
Date: November 2, 2021

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Great Lakes Dredge & Dock Corporation and will be retained by Great Lakes Dredge & Dock Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Great Lakes Dredge & Dock Corporation (the "Company") on Form 10-Q for the period ended September 30, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Scott Kornblau, Senior Vice President and Chief Financial Officer of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by Great Lakes Dredge & Dock Corporation for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

/s/ SCOTT KORNBLAU
Scott Kornblau
Senior Vice President and Chief Financial Officer
Date: November 2, 2021

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Great Lakes Dredge & Dock Corporation and will be retained by Great Lakes Dredge & Dock Corporation and furnished to the Securities and Exchange Commission or its staff upon request.