TETRA TECH INC
Form 8-K
September 09, 2005

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported):

September 6, 2005

TETRA TECH, INC.

(Exact name of registrant as specified in its charter)

Delaware	**0-19655**	**95-4148514**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification Number)

3475 East Foothill Boulevard, Pasadena, California 91107

(Address of principal executive office and zip code)

(626) 351-4664

(Registrant s telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. **Entry into a Material Definitive Agreement.**

On September 6, 2005, the Company s Board of Directors approved accelerating the vesting of certain unvested stock options awarded under the Company s stock option plans, other than its 2003 Outside Director Stock Option Plan. The Board of Directors approved the accelerated vesting of stock options held by employees, including executive officers, that were both unvested and out-of-the-money (with exercise prices greater than $16.95, the closing sales price of the Company s common stock on the Nasdaq National Market on September 6, 2005). As a result of this vesting acceleration, options to purchase approximately 1.6 million shares of the Company s common stock have become fully vested.

The primary purpose of the accelerated vesting was to eliminate the accounting charge in connection with future compensation expense the Company would otherwise recognize in its statement of operations with respect to these accelerated options upon the adoption of Financial Accounting Standards Board Statement of Financial Accounting Standards No. 123 (Revised 2004), *Share-Based Payment* (FAS 123R). FAS 123R will require that compensation expense associated with stock options be recognized in the statement of operations, rather than as a footnote disclosure in the Company s consolidated financial statements. FAS 123R will become effective for the Company beginning October 3, 2005.

SIGNATURES

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

TETRA TECH, INC.

Date: September 9, 2005

By: /s/ DAVID W. KING
David W. King
Executive Vice President and
Chief Financial Officer