

TETRA TECH INC
Form 10-K
November 19, 2014

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

FORM 10-K

(Mark One)

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

For the Fiscal Year Ended September 28, 2014

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 0-19655**

TETRA TECH, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

95-4148514

(I.R.S. Employer
Identification No.)

3475 East Foothill Boulevard, Pasadena, California 91107

(Address of principal executive offices) (Zip Code)

(626) 351-4664

(Registrant's telephone number, including area code)

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

Common Stock, \$.01 par value

(Title of class)

The NASDAQ Stock Market LLC

(Name of exchange)

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

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

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Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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 and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. Large accelerated filer Accelerated filer Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

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

The aggregate market value of the registrant's common stock held by non-affiliates on March 28, 2014, was \$1.9 billion (based upon the closing price of a share of registrant's common stock as reported by the Nasdaq National Market on that date).

On November 10, 2014, 62,605,098 shares of the registrant's common stock were outstanding.

DOCUMENT INCORPORATED BY REFERENCE

Portions of registrant's Proxy Statement for its 2014 Annual Meeting of Stockholders are incorporated by reference in Part III of this report where indicated.

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This Annual Report on Form 10-K ("Report"), including the "Management's Discussion and Analysis of Financial Condition and Results of Operations," contains forward-looking statements regarding future events and our future results that are subject to the safe harbors created under the Securities Act of 1933 (the "Securities Act") and the Securities Exchange Act of 1934 (the "Exchange Act"). All statements other than statements of historical facts are statements that could be deemed forward-looking statements. These statements are based on current expectations, estimates, forecasts and projections about the industries in which we operate and the beliefs and assumptions of our management. Words such as "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "estimates," "seeks," "continues," "may," variations of such words, and similar expressions are intended to identify such forward-looking statements. In addition, statements that refer to projections of our future financial performance, our anticipated growth and trends in our businesses, and other characterizations of future events or circumstances are forward-looking statements. Readers are cautioned that these forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions that are difficult to predict, including those identified below under "Risk Factors," and elsewhere herein. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. We undertake no obligation to revise or update publicly any forward-looking statements for any reason.

PART I

Item 1. Business

General

Tetra Tech, Inc. is a leading provider of consulting, engineering, program management, and construction management services that focuses on addressing fundamental needs for water, environment, infrastructure, resource management, and energy. We typically begin at the earliest stage of a project, leading with science, identifying technical solutions to problems and developing execution plans tailored to our clients' needs and resources. Our solutions may span the entire life cycle of consulting and engineering projects and include applied science, research and development, information technology, engineering, design, construction management, and operations and maintenance.

We are a global provider of consulting and engineering services, renowned for our leadership in water-related services for public and private clients. Engineering News-Record ("ENR"), the leading trade journal for our industry, ranks firms by size of revenue. ENR has ranked us the number one water services firm for the past eleven years, most recently in its April 2014 "Top 500 Design Firms" issue. In 2014, Tetra Tech was also ranked number one in water treatment/desalination, water treatment and supply, environmental management, environmental science, consulting studies, solid waste, power operation and maintenance, and wind power. ENR ranks Tetra Tech among the largest 10 firms in numerous other service lines, including engineering/design, chemical and soil remediation, site assessment and compliance, hazardous waste, industrial processes, and manufacturing.

Our focus on science and consulting and our ability to apply our skills to developing solutions for water management across a wide array of public and private sector needs has diversified our client base, expanded our geographic reach, and increased our ability to service both existing and emerging markets. We currently have approximately 14,000 staff worldwide, and most are located in North America.

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Mission

Our mission is to be the premier worldwide consulting and engineering firm, focusing on water, environment, infrastructure, resource management, and energy. The following core principles form the underpinning of how we work together to serve our clients:

Service. We put our clients first. We listen closely to better understand our clients' needs and deliver smart, cost-effective solutions that meet their needs.

Value. We solve our clients' problems as if they were our own. We develop and implement real-world solutions that are innovative, efficient and practical.

Excellence. We bring superior technical capability, disciplined project management, and excellence in safety and quality to all of our services.

Opportunity. Our people are our number one asset. Opportunity means new technical challenges that provide advancement within our company, encouraging a diverse workforce, and ensuring a safe workplace.

Industry Overview

We are part of the global consulting and engineering industry that serves public and private clients by addressing fundamental needs for water, environment, infrastructure, resource management, and energy. Our industry provides clients with the technical studies, planning, engineering, design, and construction management services that respond to their needs. The industry's clients vary in size and scope from small local public agencies and private companies to national governments and large multi-national corporations. These clients seek service firms with high-caliber technical expertise, practical experience, multi-disciplinary capabilities and the global reach needed to analyze their problems in order to develop and implement the most appropriate, cost-effective solutions.

Many government and commercial organizations face complex challenges due to increased demand and competition for water and natural resources, newly understood threats to human health and the environment, aging infrastructure, demand for new infrastructure in emerging economies, and diversification and development of sustainable energy resources. As a global company with a local presence in many areas around the world, we provide the breadth of technical knowledge and capabilities to solve our clients' diverse and challenging problems.

Our water services support government agencies responsible for managing water supply, wastewater treatment, stormwater management, and flood protection. Our water services also support private sector clients that require water supply and treatment for industrial processes. We help our clients develop water supplies and manage water resources, while addressing a wide range of local and national government requirements and policies. We provide essential support for water and site management needs for resource extraction in the oil and gas and mining industries. Our water and environmental markets also include both government and commercial clients that are working to restore contaminated areas and protect and manage future uses. Our infrastructure market includes a broad range of engineering services for water management and conveyance, transportation, public and commercial buildings, and related community needs. Our infrastructure services include mechanical, civil, and electrical engineering solutions designed to provide resilient and long-term solutions sensitive to changing climate and development needs, and emerging economies. Our resource management services provide support for the safe, sustainable extraction of necessary mineral resources and oil and gas, including a wide range of services to meet water, environment, energy, and infrastructure-related needs, sometimes in remote regions of the world. Our energy market consists of both government and commercial clients that seek to

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develop energy resources, identify energy efficiency enhancements, and support the development of energy transmission and distribution corridors.

Increasingly, the consulting and engineering industry is being asked to provide integrated solutions in a global marketplace. Large firms such as ours can offer fully integrated services, from front-end data collection, analysis, and design, through implementation. Large firms that offer integrated solutions differentiate themselves from smaller firms that generally offer niche services by providing fully integrated sustainable solutions that provide lasting value to our clients. As a large company with a history of leading with science, we are ideally suited to providing interdisciplinary solutions across our water and related service lines.

Public policy, demand for resources, infrastructure development challenges, and natural forces constantly shape changes in our industry. Public concern over environmental issues, especially water quality, has been a driving force behind numerous regulations and changes in public policies and practices. Public and private clients are increasingly focused on water management, resilient infrastructure, and sustainable energy planning. Fluctuations in weather patterns and extreme events, such as prolonged droughts, and more frequent flooding, are driving concerns over the reliability of water supplies, the need to protect coastal areas, and upgrade flood management in metropolitan areas. Energy policies, resource limitations and concern about climate change have encouraged the implementation of energy conservation measures, retrofits to existing structures, upgrades to energy transmission infrastructure, and the development of renewable energy resources. Governments are using international development as a foreign policy tool to help developing nations to overcome numerous challenges, including challenges related to access to potable water, agricultural programs, and human health.

The Tetra Tech Strategy

To continue our successful growth and maintain a competitive position, we have implemented the following strategy that is integral to our future success:

Start with Science. We typically start with science at the onset of a project, building on our staff's strong technical and interdisciplinary expertise in natural and physical science and engineering. This strength allows us to effectively evaluate and recommend potential solutions to our clients' problems. Our scientists and engineers collect and interpret vast and diverse data sources to develop sustainable engineering solutions for our clients.

Capitalize on our Extensive Technical and Multi-Disciplinary Experience. Since our inception, we have provided innovative consulting and engineering services, focusing on cost-effective solutions to all aspects of water resource management. Interdisciplinary solutions are derived through teams of experts across our disciplines and build on an experience base of thousands of completed projects. Our services are provided by a wide range of professionals, including archaeologists, architects, biologists, chemical engineers, chemists, civil engineers, computer scientists, economists, electrical engineers, environmental engineers, environmental scientists, geologists, hydrogeologists, mechanical engineers, oceanographers, project managers, and toxicologists.

Global Coverage and Local Delivery. We believe that proximity to our clients is instrumental to integrating global experience and resources with an understanding of local conditions and needs. We have significantly broadened our geographic presence in recent years through strategic acquisitions and internal growth. Our base of operations in North America and network of international offices provide a platform from which we can respond to the global need for essential water, environment, and energy services. Over the past year, we worked in over 100 countries, helping government and private sector clients address complex water, environment, energy, and related infrastructure needs.

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Leverage Existing Client Base. We believe that we can effectively expand our service offerings to existing clients, providing them with access to additional technical resources, and provide both high-end planning and comprehensive solutions across multiple disciplines. For our global clients, we are leveraging our localized project experience and relationships to provide increasingly broader support for their worldwide operations.

Identify and Expand into New Business Areas. We use our consulting services and specialized technical services as entry points to expand into adjacent business areas. After our consulting practice is established in a new business area, we can expand our operations by offering additional technical services. For example, based on our work in watershed management consulting, we identify adjacent opportunities and expand into water infrastructure and engineering services.

Focus on Large, Complex and Interdisciplinary Projects. We continue to focus on expanding our public and private sector services by bidding on complex projects that are at the leading edge of policy and technology development. We develop integrated, sustainable solutions by combining our interdisciplinary capabilities in water, environment, infrastructure, resource management, and energy.

Focus on Cash Generation. We take a disciplined approach to monitoring, managing, and improving our return on investment in each of our business areas through our efforts to negotiate appropriate contract terms, manage our contract performance to minimize schedule delays and cost overruns, and promptly bill and collect accounts receivable.

Actively Attract, Recruit and Retain Strategic Hires. We focus on attracting and retaining top-quality individuals who provide innovative thinking, technical skills, teamwork, and dedication to maintaining long-term client relationships. Our combination of high-end science and consulting with practical applications provides challenging and rewarding opportunities for our employees, thereby enhancing our ability to recruit and retain top quality talent. Our full-service capabilities, internal networking programs, entrepreneurial environment, focus on technical excellence, and global project portfolio help to attract and retain highly qualified individuals.

Develop and Maintain Strategic Partnerships with Small Business Companies and Communities. In working with suppliers, we are committed to being an excellent partner and mentor, consistent with our desire to lead with science and develop approaches to best serve our global clients. When combined with our considerable capabilities and expertise, value-added partnerships with external companies and suppliers can enhance the services we provide to our clients.

Invest in Strategic Acquisitions. We believe that strategic acquisitions will allow us to continue our growth in selected business areas, broaden our service offerings, and extend our geographic presence. We intend to continue to acquire companies that will help establish our position in certain emerging business areas or further strengthen our position in our more established businesses. Our effective integration of acquired companies can continue to enhance our ability to compete technically and geographically.

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In fiscal 2014, we managed our business under three reportable segments. The following table presents the percentage of our revenue by reportable segment:

Reportable Segment	Fiscal Year		
	2014	2013	2012
Engineering and Consulting Services	38.8%	39.6%	42.6%
Technical Support Services	36.7	35.7	37.7
Remediation and Construction Management	28.3	27.8	22.9
Inter-segment elimination	(3.8)	(3.1)	(3.2)
	100.0%	100.0%	100.0%

The Engineering and Consulting Service ("ECS") segment and Technical Support Services ("TSS") segment provide consulting and engineering services across our markets. The Remediation and Construction Management ("RCM") segment supports primarily construction and remediation-related services, often in support of the other segments.

In the fourth quarter of fiscal 2014, we conducted a strategic review of our business. As a result, we initiated the realignment of our business to focus on our core front-end consulting and engineering business, which is highly differentiated in the marketplace. These services are primarily performed in the ECS and TSS segments. The RCM activities that closely align with our core business, including environmental remediation, oil and gas, solid waste, and utilities-related work, have been integrated into our front-end business. We plan to exit all other activities in the RCM segment in fiscal 2015.

Beginning in fiscal 2015, we reorganized our core operations to better align them with our markets, resulting in two renamed reportable segments. We will report our federal water, environment, and infrastructure activities in the Water, Environment and Infrastructure ("WEI") reportable segment. Our Resource Management and Energy ("RME") reportable segment will include our oil and gas, energy, global mining, waste management, remediation, utilities, and international development services. These changes are expected to produce significantly higher margins and more predictable results, while better enabling us to address our customers seamlessly. We will report the results of the wind-down of our non-core construction activities in the RCM segment.

Further descriptions of our WEI and RME segments are included below under "2015 Reportable Segments". For more information on risks related to our business, segments and geographic regions, including risks related to foreign operations, see Item 1A, "Risk Factors" of this report.

Engineering and Consulting Services

ECS provides front-end science, consulting engineering and project management services in the areas of water management, water infrastructure, solid waste management, mining, geotechnical sciences, arctic engineering, industrial processes and oil sands, transportation, and information technology.

Public concern with the quality of rivers, lakes, streams, and coastal and marine waters, and the ensuing legislative and regulatory response, is driving demand for our services. More recently, two important factors have raised the visibility of the need for surface water management: competition for water resources and climate variations, such as those that cause increasingly severe droughts and floods. Over more than four decades, we have developed a specialized set of technical skills that position us to compete effectively for surface water and watershed management projects.

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Our public sector practice include providing water, environment and infrastructure services to U.S. federal government clients such as the U.S. Environmental Protection Agency ("EPA"), the U.S. Department of Defense ("DoD"), the U.S. Department of Energy ("DOE"), and a broad range of government clients across the United States and Canada. We provide surface water master planning and modeling services to municipal government agencies in the United States and Canada, particularly in the areas of watershed management, climate adaptation analysis, flood control, and the optimal management of waste water, stormwater, and combined sewer overflow ("CSO") systems.

Our consulting and engineering design services are applied to numerous aspects of water quality and quantity management, including major water and wastewater treatment plants, combined sewer storage and separation, water reuse programs, regional stormwater management and green infrastructure design, and drainage and flood control. Our experience includes planning, permitting, design, and construction management services for water treatment facilities, desalination facilities and water distribution systems, including pipelines and pump stations. We also support master planning, permitting, design, and construction of water-related redevelopment projects, and parks and river corridor restoration projects. We provide a broad base of commercial clients, with water supply, water treatment, and water reuse services including those in the aerospace, chemical, energy, mining, oil and gas, pharmaceutical, retail, and utility industries.

We offer plant engineering services for commercial and industrial clients, including mining and metals, oil and gas, and the chemical and petrochemical industries. We have supported the industrial water management needs of clients in the production of base, rare, ferrous, and agricultural minerals. We help renovate, upgrade, and modernize industrial water supply, and address their water treatment and water reuse needs. We also provide plant engineering, project execution, program management, and full engineering, procurement and construction management ("EPCM") services for industrial water treatment projects throughout North America.

We provide engineering, architecture, construction management, and technical services for transportation projects that provide resilient and safe mobility. Our transportation projects include roadway monitoring and asset management services, innovative stormwater management, and supporting our clients in collecting condition data, optimizing upgrades, and long-term planning for expansion. Our transportation related services include multi-model design services for commuter railway stations, airport expansions, bridges and major highways, and ports and harbors. We provide design solutions to repair, replace, and upgrade older transportation infrastructure, including specialized logistical and modeling support for traffic routing during upgrades.

We provide our infrastructure services in extreme and remote areas by providing specialized services that are adapted to local resources, by minimizing environmental disturbance, and considering potential climate change impacts in our designs. For example, we provide consulting and construction services to owners of transportation, mining, energy, and community infrastructure in the Arctic and areas of permafrost around the globe. In this extreme environment where temperatures can drop below -50°C (-58°F), we provide adaptive engineering and scientific services that reach beyond traditional approaches. We are one of the few firms that are capable of providing full life-cycle services for northern development. We offer these arctic engineering services during all project phases: exploration and project planning; feasibility studies, design, and permitting; EPCM and construction; and operation, decommissioning, and reclamation.

We provide planning, architectural, and engineering services for U.S. federal, state and local government and commercial facilities and related infrastructure needs including military housing, educational, institutional, corporate headquarters, healthcare, and research facilities. We specialize in designing resilient, sustainable facilities and infrastructure that address environmental impacts, water use, waste disposal needs, and power usage. We apply innovative techniques to site preparation, master

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planning, stormwater and water management, site remediation, wetlands mitigation, and a broad range of low impact design techniques for site development.

We provide technology systems integration to support data management, data processing, communications and outreach, and systems development. Our projects range from large-scale environmental monitoring, modeling, and data management to systems engineering and design for major infrastructure rehabilitation programs. We provide systems analysis and information management to optimize the U.S. National Airspace System and related aviation systems. We also support research and technical services for national-scale water resource and environmental data management, including archiving and statistical analysis.

We offer plant engineering services for clients in heavy industry, including mining and metals, and oil sands, as well as for those in the chemical and petrochemical industries. We have supported the industrial processes needs of clients with expertise in the production of base, rare, ferrous, and agricultural minerals. We help renovate, upgrade, and modernize industrial facilities, including concentrators, smelters and refineries. We also provide plant engineering, project execution, program management, and full EPCM services for industrial process projects throughout North America.

We provide a wide range of consulting and engineering services for solid waste management, including landfill design and management, throughout the United States and Canada. We provide design, construction management, and maintenance services to manage solid and hazardous waste, for environmental, wastewater, energy, oil and gas containment, mining, utilities, aquaculture, and other industrial clients.

We offer a full range of services for mining projects worldwide, including resource assessment, mine development, operations support, and closure/remediation. Our full-service mining services team includes geologists, metallurgists, mine engineers, environmental scientists, and water specialists. We address tough challenges in engineering design, procurement, and construction to support all areas of mine operations, including underground and open pit operations, surface infrastructure, mills and process plants, power generation and transmission projects, water treatment, tailings management, and regulatory compliance.

Technical Support Services

TSS provides management consulting and engineering services and strategic direction in the areas of environmental assessments/hazardous waste management, climate change, international development, energy, oil and gas, technical government consulting, and building and facilities.

We support oil and gas clients in the upstream, midstream and downstream market sectors. Our services include environmental support, siting studies, strategic planning and analyses, design of well pads and surface impoundments for drilling sites, water management for exploration activities, design of midstream pipelines and associated pumping stations and storage facilities, construction monitoring, biological and cultural assessments, site investigations, and hazardous waste site remediation. We provide services to oil and gas clients primarily in the United States, including the shale basins, and midstream services, especially pipeline planning and design.

We provide a full range of services to electric power utilities and independent power producers worldwide, ranging from macro-level planning, management, and advisory services to project-specific environmental, engineering, and construction management services. For utilities and governmental agencies regulating power, we provide policy and regulatory development, utility management and privatization, power asset evaluation and management, and transaction support services. For energy developers and owners of renewable and conventional power generation facilities, as well as transmission

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and distribution assets, we provide environmental, engineering, procurement, and operations and maintenance services for all project phases. Our projects range from hydropower, to onshore and offshore wind facilities and solar farms, to liquefied natural gas facilities.

We provide comprehensive services for environmental planning, cleanup, and reuse of sites contaminated with hazardous materials, toxic chemicals, and oil and petroleum products. Our services cover all phases of the remedial planning process, starting with emergency response and initial site assessment through removal actions, remedial design, and implementation management. Sites range from small properties undergoing voluntary cleanup, to brownfields redevelopment projects, to DoD installations, to some of the largest and most complex Superfund sites in the United States. We support both commercial and government clients in planning and implementing remedial activities at numerous sites around the world. We also provide a broad range of environmental analysis and planning services to ensure that our clients are implementing their operations in a sustainable manner. Our services include air quality management, regulatory compliance, information management and geographic information systems, radiation protection and health physics, risk management, pollution prevention and control, radioactive and hazardous waste management, National Environmental Policy Act ("NEPA") services, and environmental response training.

In international development, we provide services to many donor agencies, primarily to the U.S. Agency for International Development ("USAID"), to develop safe and reliable water supplies and sanitation services, support the eradication of poverty, improve livelihoods, promote democracy, and increase economic growth. We plan, design, implement, research, and monitor projects in the broad areas of climate change, agriculture and rural development, governance and institutional development, natural resources and the environment, infrastructure, economic growth, energy, rule of law and justice systems, land tenure and property rights, and training and consulting for public-private partnerships. We build capacity and strengthen institutions in areas such as global health, energy sector reform, utility management, food security, and local governance. We currently provide international development services in numerous countries around the world, working for the U.S. Department of State ("DoS"), USAID, and the Millennium Challenge Corporation ("MCC").

Remediation and Construction Management

RCM provides full-service support, including construction and construction management, to all of our client sectors, including U.S. federal and state and local government agencies, and commercial clients worldwide, in the areas of environmental remediation, infrastructure development, solid waste management, energy, and oil and gas.

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We provide environmental remediation and reconstruction services to evaluate and restore lands to beneficial use. Under the U.S. federal government's Base Realignment and Closure ("BRAC") Act, we help remediate and restore facilities at military locations in the United States and around the world. We also manage large, complex sediment remediation programs that help restore rivers and coastal waters to beneficial use. Environmental remediation also includes activities to identify, evaluate, and destroy unexploded ordnance ("UXO"), both domestically and internationally. We support utilities in implementing infrastructure needs, including broadband and other wired utilities in the United States.

Project Examples

The following table presents brief examples of projects in our three segments during fiscal 2014:

Segment	Representative Projects
ECS	<p>Assisting the EPA Office of Wastewater Management in conducting the Clean Watersheds Needs Survey to assess financial needs for constructing wastewater treatment plants and other water-related infrastructure.</p> <p>Providing watershed planning and modeling services for City of Los Angeles, California to address water quality and optimize stormwater management program needs.</p> <p>Providing engineering design and environmental management services to the U.S. Army Corps of Engineers ("USACE") for the Port of Miami channel deepening environmental mitigation program.</p> <p>Providing a CSO control strategy that improves real time control (RTC) rules, to reduce overflows, maximize use of retention in the system, and improve operational efficiency, in the City of Edmonton, Alberta, Canada.</p> <p>Providing engineering design services to the City of San Antonio, Texas for the planning and design of a 30 million gallons per day reverse osmosis brackish groundwater water supply treatment system, which will be the largest of its kind in the United States when completed.</p>
TSS	<p>Providing transportation planning, data collection, and design services for the Province of Alberta, Canada; with specialized expertise in arctic region infrastructure.</p> <p>Providing technical, analytical and programmatic support under the EPA's Brownfields and Land Revitalization Program to promote the assessment, cleanup and revitalization of properties affected by the presence or potential presence of hazardous substances, pollutants, and other contaminants.</p> <p>Providing support to EPA's Climate Change Division to reduce emissions of methane, a potent greenhouse gas and potential source of clean energy. Supporting EPA's Natural Gas STAR, and AgStar programs.</p> <p>Working with USAID to implement public-private partnerships for electric generation and distribution of energy to poor and developing countries in Africa.</p>

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Segment

Representative Projects

Supporting the government of Afghanistan to empower women and increase gender diversity in all aspects of government activities and functions.

Providing specialty marine impact studies, permitting services, biological and cultural resources surveys, design, and construction support for NextEra Energy.

Providing engineering, detailed design and construction monitoring for multiple oil and gas midstream pipeline companies such as Enbridge Inc., Kinder Morgan Energy Partners, L.P., and Plains All American Pipeline, L.P.

Supporting environmental activities at U.S. Air Force ("USAF"), U.S. Army and U.S. Navy ("USN") installations worldwide to assist the DoD in its environmental mission in the areas of environmental conservation and planning, environmental quality, environmental restoration, design and construction.

RCM

Providing design-build services for energy-efficient facilities and environmental restoration services at various DoD BRAC sites, such as the Hunters Point Naval Shipyard and former Naval Air Station Alameda, both located on San Francisco Bay, California.

Providing turn-key design, construction, dredging, and treatment services for the Lower Fox River remediation and clean-up project.

Providing construction and remediation services to mining clients in support of mine closure activities.

Clients

We provide services to a diverse base of international, U.S. commercial, U.S. federal, and U.S. state and local government clients. The following table presents the percentage of our revenue by client sector:

Client Sector	Fiscal Year		
	2014	2013	2012
International ⁽¹⁾	25.9%	26.7%	24.5%
U.S. commercial	28.9	26.5	26.5
U.S. federal government ⁽²⁾	30.9	31.8	37.2
U.S. state and local government	14.3	15.0	11.8
	100.0%	100.0%	100.0%

(1) Includes revenue generated from foreign operations, primarily in Canada, and revenue generated from non-U.S. clients.

(2) Includes revenue generated under U.S. federal government contracts performed outside the United States.

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U.S. federal government agencies are significant clients. The DoD accounted for 11.7%, 12.1% and 14.4% of our revenue in fiscal 2014, 2013 and 2012, respectively. We typically support multiple programs within a single U.S. federal government agency, both domestically and internationally. We also assist U.S. state and local government clients in a variety of jurisdictions across the United States. In

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Canada, we work for several provinces and a variety of local jurisdictions. Our commercial clients include companies in the chemical, energy, mining, pharmaceutical, retail, aerospace, automotive, petroleum, and communications industries. No single client, except for U.S. federal government clients, accounted for more than 10% of our revenue in fiscal 2014.

The following table presents a list of representative clients in fiscal 2014 in our reportable segments.