

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): February 1, 2006

GULF ISLAND FABRICATION, INC.

(Exact name of registrant as specified in its charter)

Louisiana 0-22303 72-1147390

(State or other jurisdiction (Commission (IRS Employer
of incorporation) File Number) Identification No.)

583 Thompson Road
Houma, Louisiana 70363
(Address of principal executive offices) (Zip Code)

(985) 872-2100
(Registrant's telephone number, including area code)

Not applicable
(Former name or former address, if changed since last report)

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):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17CFR 240.13e-4(c))

Item 1.01 Other Events.

On February 1, 2006, the Board of Directors approved the following annual compensation for the Named Executive Officers and Directors for the year 2006: Salary for Kerry J. Chauvin, Chairman, President and CEO will be \$405,000; salary for Kirk J. Meche, Executive Vice-President-Operations and President and CEO of Gulf Marine Fabricators will be \$205,000; salary for Murphy A. Bourke, Executive Vice-President-Marketing will be \$198,000; salary for Joseph P. Gallagher, III, Vice-President-Finance, Chief Financial Officer and Treasurer will be \$175,000; William G. Blanchard, President of Gulf Island, L.L.C. will be \$140,000. In addition, for 2006 the executive officer bonuses will be computed as a percentage of the consolidated income before taxes and before the deduction of the bonuses. The applicable bonus percentages for Messrs. Chauvin, Meche, Bourke, Gallagher and Blanchard will be 1.00%, .45%, .40%, .40% and .10%, respectively. Mr. Blanchard will receive an additional bonus of .12% of Gulf Island, L.L.C.'s separate income before taxes and before the deduction of this bonus.

In 2006, each non-employee director, except the Chairman of the Audit Committee and the Financial Expert, will receive an annual fee of \$18,000 for his services as a director, a fee of \$1,500 for each board or committee meeting attended in person, and a fee of \$1,000 for each board or committee meeting in which the director participates via telephone conference call. The Chairman of the Audit Committee and the Financial Expert will receive an annual fee of \$20,000 with the same attendance fees as the other non-employee directors. A copy of the Named Executive Officer and Director Compensation for the year ended

December 31, 2006 is attached as Exhibit 10.11.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

The following exhibit is filed herewith:

Exhibit No.	Description
10.11	Named Executive Officer and Director Compensation for the year ended December 31, 2006

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.

GULF ISLAND FABRICATION, INC.

By: /s/ Joseph P. Gallagher, III

Joseph P. Gallagher, III
Vice President - Finance,
Chief Financial Officer
and Treasurer
(Principal Financial Officer
and Duly Authorized Officer)

Dated: February 2, 2006

GULF ISLAND FABRICATION, INC.
 NAMED EXECUTIVE OFFICER and DIRECTOR COMPENSATION
 For the year ended December 31, 2006

Named Executive Officer Compensation

The following table lists the salary and bonus to be paid to each of the following executive officers for the year ended December 31, 2006.

Name and Principal Position	Year	Salary	Annual Compensation Bonus Percentage	
-----	-----	-----	-----	-----
Kerry J. Chauvin Chairman of the Board, President and Chief Executive Officer	2006	\$ 405,000	1.00%	(a)
Kirk J. Meche Executive Vice-President-Operations President and Chief Executive Officer of Gulf Marine Fabricators (fabrication subsidiary)	2006	\$ 205,000	0.45%	(a)
Murphy A. Bourke Executive Vice-President-Marketing	2006	\$ 198,000	0.40%	(a)
Joseph P. Gallagher, III Vice-President-Finance, Chief Financial Officer and Treasurer	2006	\$ 175,000	0.40%	(a)
William G. Blanchard President and Chief Executive Officer of Gulf Island, L.L.C. (fabrication subsidiary)	2006	\$ 140,000	0.10%	(a)
			0.12%	(b)

(a) Each executive officer's bonus will be equal to the specified percentage of the Company's consolidated income before tax and before deduction of the executive bonuses.

(b) Mr. Blanchard will receive an additional bonus equal to the specified percentage of Gulf Island, L.L.C.'s separate income before tax and before deduction of this bonus.

Director Compensation

In 2006, each non-employee director, except the Chairman of the Audit Committee and the Financial Expert, will receive an annual fee of \$18,000 for his services as a director, a fee of \$1,500 for each Board or committee meeting attended in person, and a fee of \$1,000 for each board or committee meeting in which the director participates via telephone conference call. The Chairman of the Audit Committee and the Financial Expert will receive an annual fee of \$20,000 with the same attendance fees as the other non-employee directors.