

# **RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION**

## **SPECIAL MEETING OF DIRECTORS**

### **PUBLIC SESSION**

**DECEMBER 8, 2009**

The Board of Directors of the Rhode Island Economic Development Corporation (the "Corporation") met on Tuesday, December 8, 2009, in Public Session, at 8:00 a.m., at the offices of the Rhode Island Economic Development Corporation, located at 315 Iron Horse Way, Suite 101, Providence, Rhode Island, pursuant to notice of the meeting to all Directors, and public notice of the meeting, a copy of which is attached hereto, as required by the bylaws of the Corporation and applicable Rhode Island law.

The following Directors were present and participated throughout the meeting as indicated: Governor Donald L. Carcieri, Mr. Frank Montanaro, Mr. Keith Stokes, Mr. George Shuster, Ms. Alma Green, Ms. Cheryl Merchant and Mr. Alexander Biliouris.

Director absent: Ms. Kimball Hall.

Also present were: Interim Executive Director J. Michael Saul, members of the Corporation's staff and Attorney Robert I. Stolzman.

Governor Carcieri presided over the meeting and Attorney Robert I. Stolzman acted as Secretary.

#### **1. CALL TO ORDER**

Governor Carcieri called the meeting to order at 8:05 a.m.

#### **2. FOR APPROVAL OF CONTRACT TERMS FOR EXECUTIVE DIRECTOR**

Governor Carcieri introduced Mr. Alfred Verrecchia and Mr. Paul Choquette, both of whom led the search committee for a new Executive Director of the corporation. He explained that this process began months ago when he appointed a task force for this mission. Attorney Stolzman explained that the legal process for hiring an Executive Director is that the Governor first appoints a nominee and that nomination is subject to the advice and consent of the Senate. In addition, the Board of Directors must approve the contract terms.

Mr. Verrecchia explained that the search has been a long process which began with the task force's first meeting on May 1, 2009. He noted that the task force initially estimated that it would take 6 to 8 months to conclude the search. In addition to himself and Mr. Choquette, members of the task force include Edward Cooney, Mark Crisafulli, Senator Walter Felag, Stephen Lane, George Nee, Sue Stenhouse, Merrill Sherman and Representative Donna Walsh.

Mr. Verrecchia explained that the members of the task force first reviewed the state hiring process. Early on, upon the realization that Governor Carcieri had only one year left in his term, the task force realized it would be important to be able to offer a multi-year contract to the nominee. He explained that an RFP went out for a recruiting service to assist with the search and that, out of 8 solicitations, 4 companies were interviewed. The recruiting service chosen was Korn/Ferry International, with Charles Ingersoll as the primary contact. The recruiters located a dozen candidates, which the task force narrowed down to 5. Of those 5, one candidate dropped out. The four finalists were interviewed and narrowed down to two. Governor Carcieri interviewed both finalists, and his selection of Ms. Ioanna T. Morfessis was unanimously approved by the task force.

Ms. Morfessis' resume was distributed to the Board members (See Exhibit A). Mr. Verrecchia noted that she had held similar economic development leadership positions in Baltimore, Maryland and in Phoenix, Arizona, where she was very successful. He noted that she has more than 20 years experience and a well-established track record, and added that she is well known in economic development circles.

Mr. Verrecchia explained that the task force initially estimated a salary range of \$225,000 - \$250,000. Mr. Ingraham recommended a salary range of \$160,000 to \$230,000 with incentive compensation. Mr. Verrecchia stated that, since the State could not offer incentive compensation, the salary range was adjusted to \$250,000. The employment contract includes a 3 year term and a relocation package. It was noted that Ms. Morfessis will be in Rhode Island this weekend to begin house-hunting and will be ready to start the job on January 18, 2010.

Mr. Choquette reported that he spoke with two personally-known references in Baltimore and Phoenix and both confirmed that Ms. Morfessis was an excellent choice. He noted that she has been very successful with bringing together public and private sectors for a common goal, something that Rhode Island needs to do.

Governor Carcieri stated that he was very pleased with the work done by the task force. He explained that the position is a key position and that the salary is merited. In addition, the legislature agreed to changing the term of the executive director to three years.

Mr. Verrecchia noted that Ms. Morfessis' references indicated that she is very team-oriented and that she demands a lot and gives a lot.

Upon inquiry of Ms. Green, Governor Carcieri stated that he anticipates that the General Assembly will approve the appointment, adding that he has already had conversations with assembly leadership.

In response to a question of Mr. Montanaro, Governor Carcieri confirmed all details of the full employment package will be presented to the Senate, and that there is nothing unusual in the package.

Mr. Biliouris commented on Ms. Morfessis being ahead of her time during 1989 – 1997 as head of the Greater Phoenix Economic Council, where she promoted regionalization, which is where he believes Rhode Island is headed.

There being no further discussion, upon motion duly made by Mr. Shuster and seconded by Mr. Montanaro, the following vote was adopted:

**VOTED:** See text of Vote at **Exhibit B.**

Voting in favor of the foregoing were: Mr. Montanaro, Mr. Stokes, Mr. Shuster, Ms. Merchant, Ms. Green and Mr. Biliouris.

Voting against the foregoing were: None.

Following the vote, Governor Carcieri offered his gratitude and compliments to Interim Executive Director Michael Saul for keeping the corporation moving during the past year of transition, and for proactively advancing many projects such as the renewable energy matters and the statewide site assessment. He noted that Mr. Saul has brought many strengths with him to the corporation and that he hopes Mr. Saul will continue to do so in another capacity.

There being no further business to come before the Board, the meeting was adjourned at 8:45 a.m., upon motion made by Shuster and seconded by Ms. Merchant.

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Robert I. Stolzman, Secretary