



WORKFORCEDEVELOPMENT

COUNCIL

Workforce Development Council Meeting
Thursday, March 9, 2017
9:30 a.m. — 12:00 p.m.
Keelikolani Building (State Labor & Tax Building)
830 Punchbowl Street, Room 310, Honolulu, HI 96813

MINUTES

Member Attendees:

Leslie Wilkins, WDC Chairperson, and Chair, Maui County Workforce Development Board
Alan Hayashi, WDC Vice Chair, and Owner, Consult 808
Evelyn Barfield, Human Resources Business Partner, Meadow Gold Dairies
Kaeo Bradford (Designee for Kauai Mayor Bernard Carvalho)
Susan Fernandez (Designee for Honolulu Mayor Kirk Caldwell)
Neil Gyotoku (Designee for Hawaii Mayor Harry Kim)
Brian Nagami (Designee for Maui Mayor Alan Arakawa)
Linda Chu Takayama, Director, Department of Labor and Industrial Relations (DLIR)
Leonard Hoshijo & Elaine Young (Designees for Linda Chu Takayama, Director, DLIR)
David DeLuz, Jr., Chair, Hawaii County Workforce Development Board
Carl Hinson, Director of Workforce Development, Hawaii Pacific Health
Bernadette Howard & Scott Murakami (Designee for David Lassner, President, UH)
Yang-Seon Kim (Designee for Luis Salaveria, Director, DBEDT)
Ian Kitajima, Director of Corporate Development, Oceanit
Sean Knox, President, Hawaii Employment Services
Connie Mitchell, Executive Director, Institute for Human Services
Bricen Moritsugu (Designee for Leialoha Sanchez, Chair, Kauai Workforce Development Board)
Sheryl Nojima, President, Gray, Hong, Nojima, and Associates
Charles Shima, Training Coordinator, Plumbers Union Local 675
Barry Taniguchi, Chairman & CFO, KTA Super Stores
James Tollefson, Chair, Oahu Workforce Development Board
Sunshine Topping, Vice President of Human Resources, Hawaiian Telcom
Marian Tsuji, President & CEO, Lanakila Pacific
John Vannatta (Designee for Kathryn Matayoshi, Superintendent, DOE)
Richard Vieira, Director of Training, District Council 50 – Intl. Union of Painters & Allied Trades
Beth Whitehead, Executive Vice President, CAO, American Savings Bank
Winona Whitman, Employment & Training Director, Alu Like, Inc.
Albert Perez & Catherine Scardino, (Designee for Pankaj Bhanot, Director, DHS)

Members Absent:

Senator Gil Keith-Agaran, State Senate
Representative Mark Nakashima, State House of Representatives
Glenn Alcalde, Training Coordinator, Hawaii Carpenters Apprenticeship and Training Fund
Glen Kaneshige, President, Nordic PCL Construction, Inc.
Alicia Moy, President, Hawaii Gas Co.
Gladys Quinto Marrone, President and CEO, Building Industry Association of Hawaii
Shannon Okinaka, Executive Vice President & CFO, Hawaiian Airlines
Edward Richardson, Major General (Retired), Owner, Edward V. Richardson, LLC
Brian Tatsumura, Store Manager, Nordstrom

Guests:

Doris Dvonch, Deputy Attorney General
Jason Ito, Director, Administration & Planning, Kyo-Ya Management Company
Edward Yamamura, Franchise Owner/Operator, McDonald's
Debbie Miyao, Director of Adult Education, DOE
Alison Lum, Executive Director, Oahu Workforce Development Board
Tina Rogers, Hotel and Restaurant Industry Employment and Training Trust (HARIETT)
Rolanse Crisafulli, Administrator, Work Hawaii
Jay Ishibashi, Workforce Development Division, DLIR
Michelle Arima, Office of Housing and Community Development, Hawaii County
Carol Kanayama, Program Officer, Workforce Development Division, DLIR
Jenny Tanaka, Hawaii Gas Co.

Staff:

Allicyn Tasaka, Executive Director
Jeanne Ohta, Assistant to the Executive Director
Linda Sakamoto, Employment Service Specialist
Kim Saito, Accountant Supervisor
Lina Rivera, Accountant III
Jayson Muraki, Workforce Information and Data Coordinator
Jan Kusakabe, Office Manager

- I. Call to Order
Chair Leslie Wilkins called the meeting to order at 9:30 a.m.

- II. Approval of Minutes
Sunshine Topping moved to adopt the minutes of the December 8, 2016 WDC meeting. Alan Hayashi seconded the motion. The motion was adopted with 24 ayes, no abstentions, and none voting no. (24 voting members were present).

- III. Presentations
 - A. DLIR Director Linda Chu Takayama gave an overview of the Administration's priority industries, training and services for Hawaii's businesses and workforce. (The presentation is posted at: <https://labor.hawaii.gov/wdc/files/2017/03/WDC-3-9-17-presentation-Director-Takayama.pdf>)

1. A major objective is agriculture. The Governor's goal is to double agriculture production by 2020. The Agriculture Workforce Advisory Board's goal is to expand the pipeline of agricultural workers in the State.
2. The Healthcare Workforce Advisory Board's Dr. Kelley Withy, estimates there will be a shortage of 500 physicians in a few years. On April 5, 2017 the Board will host a free workshop at the Cancer Center with a focus on mental health issues.
3. The Hawaii Science and Technology Workforce Working Group works with the S.T.E.M and Robotics programs at the Department of Education and the community colleges.
4. Federal apprenticeship grants provide \$2.9 million for information technology (IT) and healthcare apprenticeships. In addition, the Apprenticeship USA State Expansion grant funds \$1.5 million for apprenticeships in other industries. The future of these types of grants is uncertain due to the new federal administration in Washington D.C.
5. The Employment and Training Fund is an on-going program to improve the workforce skills in specific industries or businesses. It has been used for the construction industry and the tropical fruit industry.
6. The National Emergency Grant is designed to provide retraining for dislocated workers for construction, hospitality, healthcare, IT and shipyard industries to help them get back into the workforce.
7. Reemployment Services and Eligibility Assessment provides group and individual skills assessment, labor market information, and other services to unemployment insurance (UI) claimants to reduce the time they claim benefits. The program produced a savings of nearly \$1.8 million to the UI trust fund.
8. Senior Community Service Employment Program helps seniors 65 and older find jobs and develop their job skills for the current job market.
9. Military veterans programs provide counseling and job placement services and conducts outreach with employers to promote the hiring of veterans.
10. Services to the disabled partners with the Department of Human Services. The Summer Youth program last year was highly successful. Informational flyers were distributed for training sessions to be held on each island on how to work with and accommodate the disabled.
11. A question was asked about training and services for the incarcerated. Director Takayama responded that Hawaii County has the "Going Home Consortium" which they will take a look into expanding.
12. Another question was asked about the wage gap. Should the unemployment fund, when unemployment is low, go to the workforce development for training for this group, as this fund is unused money. Chair Leslie Wilkins asked that the conversation be relayed to the Chamber of Commerce.

- B. Summary of the economic and workforce forecasts for Hawaii and the Administration's priority industries (The presentation is posted at: <https://labor.hawaii.gov/wdc/files/2017/03/2017-WDC-Economic-Update-Presentation.pdf>)

Scott Murakami, Director of Workforce Development, University of Hawaii provided a projected, two-year economic update (2016-2018). Included in the update were the statewide outlook by industries, statewide outlook by occupations, forecasts by other data sources, risk factors, identified target industries, top projected jobs for 2018, and implications for WDC and Hawaii's public workforce system.

Health Care, Hospitality and Construction are the industries that should see the most significant growth. Governmental policies, financial and global factors are all risk factors that could impact Hawaii's economic future. Agriculture, information technology, health care, construction and shipyard—federal government, military/water transportation are the identified target industries.

IV. New Business

A. WDC Chair Updates Relating to Board Governance

1. Chair Wilkins announced new board members: Hawaii County Housing Administrator, Neil Gytoku, representing Mayor Harry Kim; and City and County of Honolulu, Deputy Director of Community Services, Susan Fernandez representing Mayor Kirk Caldwell. She recognized and thanked former members for their past services to WDC: Joanne Kealoha who retired from the ILWU and has resigned from the Council; and Betsy Kim, Governor Ige's designee. Ms. Kim is now working for the University of Hawaii in the Office of the Vice President for Research and Innovation. Chair Wilkins also thanked all of the members who attended the Region 6 Convening in San Francisco. Each county was represented at the convening. On behalf of the Maui WDC board, she reported that the Board is now certified and has submitted the revisions to the Maui local plan. They will be convening their first sector summit on health care on March 16, 2017.
2. A doodle poll will go out to all executive committee members to confirm a date for an Executive Committee Meeting to be held sometime in April or May to look at governance structure.
3. It was suggested that UHERO could be consulted to see what the federal impact will have on the housing shortage here. The County mayors and the governor to may move more quickly on the matter of housing.

B. Report of the Performance Measures and Accountability Committee

To ensure that there would be sufficient time for discussion and action, Chair Wilkins took the report and recommendation of the Performance Measures and Accountability Committee (PMAC), which will require a Council vote out of order on the agenda.

PMAC met immediately before the Council meeting on March 9, 2017. Both Chair Wilkins and PMAC Chair Carl Hinson conferred with the deputy attorney general for the Council that the action for the vote was in order, properly noticed and applicable to the agenda. Chair Wilkins turned the floor over to Carl Hinson for the committee report and recommendation.

He reported that PMAC had two tasks: review the local board plans and develop an evaluation tool for the current executive director's annual performance evaluation.

The evaluation tool was completed on the morning of March 9, 2017 and will be forwarded to the executive committee for their review and use.

Under WIOA, each local board (county) is required to submit a local plan. All plans were submitted. The WDC staff identified twelve (12) knowledgeable individuals to independently review the plans. All information was provided to PMAC so that PMAC could forward a recommendation to the full Council. PMAC recommends that the WDC grant conditional approval for all four (4) county plans with a deadline date for final approval of May 31, 2017.

Recusals for the vote were made by those who serve on the local workforce boards: Albert Perez, Bricen Moritsugu, Neil Gyotoku, Leslie Wilkins, Brian Nagami, Kaeo Bradford, David De Luz Jr., and James Tollefson.

There were no further discussions before voting. There were 16 ayes, none voting no and, no abstentions. The recommendation was passed.

Each county received their plans back with feedback from the reviewers. Much of the feedback consisted of requesting specific examples, explicit timelines of when and how they would achieve the specific goals of their plan. All counties with the exception of Kauai, have submitted their first revisions and PMAC is concerned that Kauai has missed the deadline. PMAC has asked the executive director to give Kauai an extension until Friday, March 17, 2017. There are more revisions to come and counties need to make sure the deadline dates are met as PMAC needs to have final plans in place by May 31, 2017 to ensure the counties receive funding.

Another member asked that there be a more expedient way to get the plans finalized. It was suggested that the Committee fill in the information gaps to resolve them. Chair Wilkins stated it needs to come from the respective counties themselves as they represent the concerns for their local communities. PMAC is able to give guidance in understanding the questions and how it is applied to the communities, but PMAC is unable to write it for them. Carl Hinson asked that the County of Kauai submit to WDC what they have thus far.

Alan Hayashi asked for feedback from the other counties. Hawaii County pointed out they were very frustrated with the timeline. They only had a month and it wasn't enough time. They have two very distinct geographical areas and for them to address a local plan from both areas within that timeline was very stringent. Chair Wilkins replied that these are federally mandated deadlines.

There was a discussion about the consequences of not meeting deadlines, extensions to deadlines, and the possibilities of a break in service. Hawaii County had a concern about the repercussions if they have to reject all of the applications to their RFP. Chair Wilkins said they would try to get all of the contingency questions answered and seek legal counsel, as well as consult with the respective procurement offices.

C. Board Strategic Plan

Due to time constraints, there was no discussion on the strategic plan. The strategic plan is posted on the WDC website and will be a recurring item on the agenda.

D. Executive Director's Report

(Link to the report: <https://labor.hawaii.gov/wdc/files/2017/03/Executive-Director-Report.pdf>)

1. SB49 SB1 Relating to Education in the current legislative session affects WDC. This bill requires the DOE to collaborate with the WDC on workforce development initiatives. Executive Director Allicyn Tasaka testified on the bill. She reported that should it pass, WDC will need state support (general funding) and additional staffing. The bill passed the Senate and has crossed over to the House.
2. She reported that there were additional policies and procedures issued (included on executive director report included in the board meeting packet).

3. The HireNet System has a dashboard report (a printout is attached to the report included in the board meeting packet). Contact Jayson Muraki for any questions regarding HireNet.
4. Jayson Muraki and Jan Kusakabe completed data validation, the annually required federal audits. Random participant files are selected from the adult, dislocated workers and youth programs for each island. The most common failure is inaccurate data input. For example, if a birthdate is input incorrectly, the whole file fails. Note that the high failure rate for Maui County in the older and younger youth is due to the files being unavailable. Hawaii County is commended for the organization of their files as it made the audit process more efficient.
5. WDC collaborated with Bernadette Howard, State Director, UH Career and Technical Education to put together an at-a-glance funding map (“A Summary of Funding 2016”). It identifies all the state and federal agencies that work on and get money for workforce programs throughout the state. The map identifies agencies working on the same type of programs. The information can be used to start “braiding” the funds and enable collaboration. It is a good tool for grant making and has been distributed to the governor, lieutenant governor, legislators, Region 6 states and federal partners, to all counties, and departments and programs listed in the brochure.

V. Reports Related to WIOA

A. County Workforce Development Boards

Due to the time constraint, Chair Leslie Wilkins moved the agenda forward and acknowledged that the counties’ written reports have been received with the exception of Maui (due to Brian Nagami being out sick). She referred Council members to the written reports and deferred the oral reports.

Links to the written reports:

Hawaii County WDB: <https://labor.hawaii.gov/wdc/files/2017/03/2017-03-03-County-of-Hawaii-WDC-report-MARCH.pdf>

Kauai County WDB: <https://labor.hawaii.gov/wdc/files/2017/03/WDC-Kauai-Report-3.9.17.pdf>

Oahu County WDB: <https://labor.hawaii.gov/wdc/files/2017/03/WDC-OWDB-report-3.9.17.pdf>

B. Board Committee Reports on Members and Structure of Committees

A list of the different committees and members is enclosed in the board meeting packet. Any member wanting to move from one committee to another may do so. Chair Leslie Wilkins is currently recruiting for a Youth Chair since Leialoha Sanchez has resigned from the Kauai Workforce Development Board.

C. WIOA Core partner Updates for the Period of December 9 to March 8, 2017

1. Albert Perez, Division of Vocational Rehabilitation, DHS, reported that at the state level the department’s budget proposal is before the legislature. The biggest issue is the order of selection which is in Title I of the Rehabilitation Act of 1973, which allows VR agencies to institute a wait list. Funding is an issue. As part of WIOA, VR agencies across the nation put aside 15% of their grant award specifically to fund pre-employment transition services. Previously, agencies were not setting aside this 15%, so the requirement has cut into their budget. DVR will be holding hearings on the order of selection at the DVR offices on the various islands. DVR will be participating in the Infrastructure Funding Agreements and is waiting to meet with the local boards; and will continue to work on agreements for the summer youth program for 2017. Partners for the program include TANF; social services

division; and child welfare services who bring in the core group of students for summer work. DVR will also follow up with John Vannatta of DOE's Adult Education division to partner to provide training, especially soft skills training. He announced that he will be retiring October 1, 2017.

2. There was no report from Bernadette Howard for UH-CTE.
3. John Vannatta, Adult Education, DOE, thanked David De Luz, Jr., Michelle Arima, Jim Tollefson and Alison Lum for their hard work to complete their local plans. He reported that according to the Adult Education and Family Literacy Act, the Adult Education division is also required to conduct an RFP and the local plans are a required part of the RFP, so having completed plans is essential.
4. No report from Elaine Young on Wagner-Peyser.

D. Finance Committee Report

(Link to the report: <https://labor.hawaii.gov/wdc/files/2017/03/WDC-Finance-03-17.pdf>)

Kim Saito reported on behalf of Shannon Okinaka; she referred to the report in the board meeting packet which showed: funds that were available as of July 1, 2016; funds remaining from the prior program year and the new program year effective July 1; expenditures from July 1, 2016 through December 31, 2016; and what was available at December 31, 2016 and the percentage of funds that were expended.

She thought it would be helpful to the board to compare the expenses with the case load by county. The intention to include the information wasn't to put blame on anyone; but rather it is important information to examine so that progress can be made on improving efficiencies and better outcomes.

For each year the local areas receive funds, they have two years to expend it. If they do not use the funds within those two years, the funds revert back to the state; and how those remaining funds can be used is very limited. It is better to have the monies spent at the local level. Ms. Okinaka is concerned about the under-spending of funds and not providing services to a sufficient number of people.

The Council along with the counties should explore why these available services are not being accessed. For example, is it lack of awareness and perceived value, availability of services, etc. There is no benefit to the counties to return the funds to the state for limited usage, if there are still issues which should be addressed at the county level.

The funding for the 2017 period has decreased as the unemployment has rate decreased. Projected funds for July 1, 2017 is about \$115,000 less state-wide than the year before; which makes it important to spend the funds effectively and efficiently. The last page on the report shows the updated WDC WIOA Operating Budget.

VI. Announcements

None.

VII. Adjournment

Chair Wilkins adjourned the meeting at 12:14 p.m.