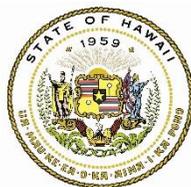


DAVID Y. IGE
GOVERNOR

DOUGLAS S. CHIN
LIEUTENANT GOVERNOR



LESLIE WILKINS
CHAIRPERSON

ALLICYN C.H. TASAKA
EXECUTIVE DIRECTOR

STATE OF HAWAII
WORKFORCE DEVELOPMENT COUNCIL
830 Punchbowl Street, Suite 417, Honolulu, Hawaii 96813
Phone: (808) 586-8630 Web: <http://labor.hawaii.gov/wdc/>

Workforce Development Council
Thursday, December 14, 2017
9:30 a.m. – 12:30 p.m.
Princess Ruth Keelikolani Building
830 Punchbowl Street, Room 310, Honolulu, Hawaii 96813

MINUTES

Member Attendees:

Leslie Wilkins, WDC Chairperson and Chair, Maui County Workforce Development Board
Alan Hayashi, WDC Vice Chair, and Owner, Consult 808
Brian Nagami, Designee for Maui Mayor Alan Arakawa
Peter Biggs, Designee for Honolulu Mayor Kirk Caldwell
George Costa, Designee for Kauai Mayor Bernard Carvalho
Leonard Hoshijo, Acting Director, DLIR
Elaine Young, Designee for DLIR Director/ Wagner-Peyser
David DeLuz, Jr., Chair, Hawaii County Workforce Development Board
Glen Kaneshige, President, Nordic PCL Construction, Inc.
Neil Gyotoku, Designee for Hawaii County Mayor Harry Kim
Sean Knox, President, Hawaii Employment Services
Scott Murakami, Designee for David Lassner, President, UH)
Gladys Quinto Marrone, CEO, Building Industry Association of Hawaii
John Vannatta, Designee for Christina Kishimoto, Superintendent, DOE)
Connie Mitchell, Executive Director, Institute for Human Services
Sheryl Nojima, President of Gray, Hong, Nojima and Associates
Shannon Okinaka, Executive Vice President & CFO, Hawaiian Airlines
Edward Richardson, Major General (Retired, Owner, Edward V. Richardson, LLC
Yang-Seon Kim, Designee for Luis Salaveria, Director, DBEDT
Charles Shima, Training Coordinator, Plumbers Union Local 675
Brian Tatsumura, Principal Consultant, Briant808 LLC
Sunshine Topping, Vice President of Human Resources, Hawaiian Telcom
Marian Tsuji, President & CEO, Lanakila Pacific
Winona Whitman, Employment & Training Director, Alu Like, Inc.

Members Absent:

Glenn Alcalde, Training Coordinator, Hawaii Carpenters Apprenticeship & Training Fund
Evelyn Barfield, Human Resources Business Partner, Hunt Companies
Susan Foard, Acting Administrator, Vocational Rehabilitation, DHS
Senator Jill Tokuda, Hawaii State Senate
Ian Kitajima, Director of Corporate Development, Oceanit
Bernadette Howard, Designee for David Lassner, President, UH
Alicia Moy, President & CEO, Hawaii Gas Co.
Rep. Mark Nakashima, Hawaii State House of Representatives
Dwight Takamine, Legislative Director, ILWU Local 142
Barry Taniguchi, Chairman & CFO, KTA Super Stores
James Tollefson, Chair, Oahu Workforce Development Board
Beth Whitehead, Executive Vice President & CAO, American Savings Bank

Guests:

Debbie Miyao, Department of Education, Adult Education
Christina Park, Department of Education, Adult Education
Alison Lum, Oahu Workforce Development Board
Lyn Uratani, Oahu Workforce Development Board
Adam Rosenberg, Office of the Attorney General
Carol Kanayama, Workforce Development Division, DLIR
Aadel Khandaker, Civil Rights & Equal Opportunity Officer, DLIR
Yvette Gibson, Hawaii Pacific Health
Bridget Komine, U.S. Department of Labor, Veterans Employment & Training Service
Cheryl Cross, Booz Allen Hamilton
Jenny Tanaka, Hawaii Gas Co.
Linda Uesato, Unemployment Insurance, DLIR
Jason Ito, Kyo-Ya Management Company
Brian Lee, Oahu Workforce Development Board/International Brotherhood of Electrical Workers
Rolanse Crisafulli, City & County of Honolulu, Oahu American Job Center

Staff:

Allicyn Tasaka, Executive Director
Jeanne Ohta, Assistant to the Executive Director
Lina Rivera, Accountant III
Jayson Muraki, Workforce Information & Data Coordinator
Jan Kusakabe, Office Manager

I. Call to Order

Chair Leslie Wilkins called the meeting to order at 9:39 a.m. and declared that quorum was achieved with 19 voting members present.

II. Approval of Minutes

Peter Biggs moved to adopt the minutes of the September 14, 2017 WDC meeting as distributed. Sean Knox seconded the motion. The motion was approved with 19 aye votes, no abstentions, and none voting no. (19 voting members present.)

III. New Business

A. WDC Chair Updates Relating to Board Governance for September to December 2017

1. WDC Board Committees and Members

Chair Leslie Wilkins reported that the Governor has appointed Director Linda Chu Takayama as the new Director of Taxation. During this interim, Leonard Hoshijo is Acting Director.

Senate President Ron Kouchi has designated Senator Jill Tokuda to represent the Senate on the WDC Board. She is the new Chair of the Senate Labor Committee. She will replace Senator Gil Keith-Agaran.

Jim Tollefson has announced he will retire from the Oahu Workforce Development Board effective December 31, 2017. Jason Chang will take over as Chair of the Oahu WDB. Jason is Executive Vice President and Chief Operating Officer at Queen's Health Systems. We will need to identify a Vice Chair of the Military & Veterans Affairs Committee to replace Jim.

Rolanse Crisafulli, long time administrator of the City's Work Hawaii will retire at the end of the year. She has worked in the workforce system for over 30 years. Lei Nakamura will assume the role of One Stop Operator at the Oahu American Job Center.

John Vannatta has also announced his retirement from the DOE Adult Education, effective December 31, 2017. Chair Wilkins thanked John for ably representing the DOE on the WDC board and for being an important partner with the work of the Workforce Innovation and Opportunity Act (WIOA).

At a meeting of the National Association of Workforce Agencies (NASWA) in Idaho, Executive Director Allicyn Tasaka was elected as an alternate to the national board. She will be the back up to our region's representative from California.

WDC has submitted a Memorandum of Agreement to the Workforce Development Division (WDD) to continue statewide rapid response activities through December 31, 2018. WDD is reviewing the MOA.

2. Executive Committee's report and updates

(a) Amendment to By-Laws approved September 14, 2017

There was an oversight in the revised by-laws that was adopted at the September 14 board meeting in the quorum section. The Executive Committee is recommending it be amended to the original intent.

Article IV Section 7 where it reads that a “majority of all council members shall be necessary to make any action of the council valid.” To conform with Hawaii Revised Statutes Chapter 202, it should read: “Under HRS Section 92-15 and HRS Section 202-1, until such time the Council has 41 members, 16 Council members shall constitute a quorum to do business, and the concurrence of at least 16 Council members shall be necessary to make any action of the Council valid.”

Alan Hayashi made a motion to amend the by-laws that was adopted at the September 14, 2017 board meeting to conform with the Hawaii Revised Statutes Chapter 202 and stated as follows: “Under HRS Section 92-15 and HRS Section 202-1, until such time the Council has 41 members, 16 Council members shall constitute a quorum to do business, and the concurrence of at least 16 Council members shall be necessary to make any action of the Council valid.” The motion was seconded by Marian Tsuji. The motion was adopted with 19 ayes, no abstentions, and none voting no. (19 voting members were present.)

(b) Federal Monitor Report on Findings and concerns Statewide implementation of the Workforce Innovation and Opportunity Act (WIOA)

The federal report was received by WDC on November 9, 2017. The report of findings and concerns was sent to each of the local WDBs and reviewed individually during their monthly calls with WDC staff in November and December. The report was also reviewed with the Director and Deputy, as well as reviewed by the Executive Committee. The staff is addressing the findings and working with each of the local boards to be able to respond to the USDOL by January 8, 2018. The federal monitor report can be viewed at <https://labor.hawaii.gov/wdc/board-meeting-december-14-2017/>.

3. Finance Committee Report

Finance Chair Shannon Okinaka reviewed the budget for the first quarter of the program year from July 1 to September 30, 2017. She noted that there is minimal expenditures for the programs which have been allocated funds through board committees. She is anticipating more expenditures in the second quarter and progress on projects.

B. Executive Director’s Report on WDC Activities for the Period of September to December 2017

Executive Director Allicyn Tasaka reviewed the five findings from the monitor report by the US Department of Labor (USDOL) which are financial related and one focused on governance. All of the findings are being addressed. WDC staff is working with the local Workforce Development Boards (WDB) and will be drafting the State’s response.

Island Air closing on November 10, 2017 was the most recent high-profile closure affecting 423 employees. The Statewide Rapid Response Team was led by WDD. They were out talking with

outgoing employees the next day over the holiday weekend to provide initial information such as unemployment insurance, programs available and directing them to start the employment process at the American Job Centers. Since then the public has learned that Island Air: (1) did not pay health insurance premiums for November and then filed for bankruptcy leaving the employees with no health coverage; (2) they are not eligible for CORBA (federal program allows group rates up to 18 months); (3) employees were not paid for the last ten days of work; (4) they have no access to their 401K accounts; and (5) some 401K payments were deposited into the wrong account.

A job fair for former Island Air employees was held on December 5, 2017 at the Oahu American Job Center (AJC). Approximately 30 attendees engaged with 20 employers who had about 250 openings. Of the 30 attendees, 17 people sought information from the UI representative. This was the resource most in demand at the job fair.

During this quarterly period, WDC issued one new policy: WIOA Bulletin 15-17 Policy on Transfer of Funds Between Adult and Dislocated Worker Allocation issued September 20, 2017.

Orientations for WDC board members and non-members have been ongoing since July. More recently orientations were held on September 18, September 21, October 5, November 28, and December 6. WDC staff have been able to orient 28 members and non-members to learn more about WDC and WIOA. Staff will now focus on sharing similar information to the local workforce boards, partners and committee members who are not on the Board. WDC staff is scheduled to do a presentation to the Oahu WDB on January 16, 2018.

IV. Executive Session: Discussion of a personnel matter regarding compensation for the Executive Director under Hawaii Revised Statutes Chapter 92-5(a)(2)

Chair Wilkins asked for a motion to enter into Executive Session. Alan Hayashi offered the motion, Sunshine Topping seconded the motion. The motion was adopted with 23 ayes, no abstentions and none voting no. (23 voting members present.) The Council moved into Executive Session at 10:12 a.m.

Chair Wilkins reconvened the regular WDC board meeting at 10:54 a.m.

V. Reports Related to WIOA

A. Program Highlights from Each County's Workforce Development Board for September to December 2017

Chair Wilkins stated that the WDBs have provided written reports on the status of their One-Stop Operators, American Job Center sites, service providers, Memorandum of Understanding and infrastructure costs. The reports were reviewed by the Executive Committee. County reports can be reviewed at <https://labor.hawaii.gov/wdc/board-meeting-december-14-2017/>.

1. Hawaii County Workforce Development Board

Chair David DeLuz, Jr. reported the WDB held a job fair on October 26 with 85 employers and approximately 450 job seekers. Of the 85 employers, 36 responded to their survey (evaluation). They would like to duplicate the job fair on West Hawaii in the future. They are having issues establishing the American Job Center (AJC), and have issued two RFPs with responses that did not meet the eligible requirements. The County is now the One-Stop Operator and opened the AJC on December 1. One of the challenges they are facing is the Memorandum of Understandings and identifying who is the authority to sign for each partner and the signatory more often than not resides on Oahu. They are working on cost sharing at the AJC with partners but find this to be very challenging. They are also in communication with a possible vendor to service the adult and dislocated worker grants.

2. Kauai Workforce Development Board

George Costa as Mayor Bernard Carvalho's representative reported Kauai is still behind with WIOA compliance. He thanked the other local WDBs for sharing information so he doesn't have to reinvent the wheel. They have two nominations and will be submitting the forms to WDC for review and hopefully will become closer to having a certified local board. There are 12 new board members and his staff is meeting to orient them on the roles and responsibilities and WIOA. There are challenges but they are working diligently towards compliance.

3. Maui Workforce Development Board

Chair Leslie Wilkins referred to Maui WDB's written report as her update.

4. Oahu Workforce Development Board

Chair Wilkins stated that Oahu WDB Executive Director Alison Lum wishes to stand on the written report submitted.

B. WIOA Core Partner Updates for September to December 2017

1. Adult Education and Career Pathways

John Vannatta shared that the competency-based (CB) community school diploma program is the single most used program by partners as well as the public in terms of high school equivalency. DOE offers three programs that lead to a diploma: (1) GED; (2) HiSet (high school equivalency test); and (3) CB program. For the last 20 years, this has been an alternative program. In 2012, the DOE changed the name of the diploma from high school to adult community school diploma to show separation between K-12 and adult education. Previous to that, it was known as a high school diploma issued by, for example, Waipahu Community School for Adults. When the name of the diploma changed, the rules for financial aid and assistance for students also changed at the federal level which required recognized high school diploma or equivalency. In 2013, then-Superintendent Kathy Matayoshi issued a memo for employers as well as postsecondary

institutions that for the sake of federal funding the DOE diplomas are equivalent. This summer, an email was circulated by a person at the University of Hawaii in charge of financial aid who quoted former deputy Stephen Schatz that the diploma program is not equivalent and financial aid is not available to those with these types of diploma equivalencies. The program has graduated over 4,500 people. There are another 1,000 students currently in the program pipeline. He has meetings with the Deputy Superintendent and Assistant Superintendents to try to find resolution to this issue, if possible before his retirement at the end of the month. This is an internal issue with DOE.

Members asked what they can do to help, like writing letters to the UH President and Superintendent and others to express concerns and impact on the workforce. Under the guidance of legal counsel, the agenda does not reflect this as an action item. Chair Wilkins asked John to provide a brief overview and bullet points to aid members who wish to write their personal letters of concerns. John agreed to submit the information to the Executive Director who will share it with members.

Scott Murakami said the University's community colleges admission policy is very clear, it's 18 years of age or a high school diploma, GED or equivalency. The issue is the DOE recognizing it as an equivalent high school diploma. If DOE recognizes it that way, the University can accept it, therefore, he believes that the issue is not with the University but with the DOE.

2. Vocational Rehabilitation

Scott Murakami reported that Susan Foard was not able to attend the meeting but submitted a written overview on the order of selection that the Division of Vocational Rehabilitation (DVR) is undergoing. Scott explained that the order of selection is based on the projections of the amount of people that DVR needs to serve and the amount of resources available, the projection is they cannot meet all of the needs of qualified individuals to receive services. DVR is required by all law, once the order of selection is approved to create a wait list and prioritized by the most severe disabilities first, then significant disabilities and then non-significant disabilities. Under WIOA, there is a requirement for set aside for preemployment transition services and investment of \$1.8 million out of their budget specifically for youth ages 14 – 20 and getting them employed. The State Rehabilitation Council (SRC) has been trying to support DVR and one of the ways is to make sure that their State Plan ties into the order of selection. The SRC met with the Director of the Department of Human Services and he has agreed to support the order of selection with additional \$1 million out of the department's budget. The order of selection summary can be found at <https://labor.hawaii.gov/wdc/board-meeting-december-14-2017/>.

3. Wagner-Peyser Act

Carol Kanayama reported preparations are underway to relocate Wagner-Peyser and Jobs for Veterans Grant funded staff to the American Job Centers in all counties. In some locations where they are not providing adult and dislocated workers services, staff were multi-funded with WIOA and Wagner-Peyser and losing the WIOA funding meant a reduction in staff.

She mentioned that in November they celebrated Apprenticeship Hawaii Week with a Governor's proclamation, an all-day forum called Hilo Pathways to Apprenticeship at Hawaii

Community College, and referred to a link new apprenticeship programs at <http://labor.hawaii.gov/wdd/home/job-seekers/apprenticeship/type-of-apprenticeships-available/>.

She announced another apprenticeship forum co-sponsored by the National Governor's Association (NGA) and DLIR on January 11, 2018.

The written report for Wagner-Peyser can be found at <https://labor.hawaii.gov/wdc/board-meeting-december-14-2017/>.

C. Board Committee Reports on Activities of Committees for September to December 2017

1. Data Management & Technology

Committee Chair Scott Murakami reported that the committee has been working with staff on the single-sign on RFP. There is an evaluation process with the RFP and he is hoping to include representation from each county WDB and core partners. He said they are informally looking for a project manager. He has reached out to the local WDBs and is available to provide status updates on the project and get feedback. So far, he has presented updates at the Oahu WDB meeting. He is planning to have a committee meeting in early 2018.

2. Employer Engagement

Committee Co-Chair Glen Kaneshige reported the inaugural committee meeting was held on November 30 with 13 members, of whom 5 are board members. The staff provided an overview of WDC, WIOA and HireNet, and then focused on the tasks for the committee members. The next meeting will be held in January for a tour of the Oahu American Job Center at Dillingham.

3. Military & Veterans Affairs

Committee Chair Edward Richardson said the committee continues to meet monthly. The military provides trained workers in fields such as aviation, aviation maintenance, ship building, cyber, auto mechanics, including combat soldiers. Many separate into civilian life and leave Hawaii, but few remain to live here. The cost of living and housing is extremely high and although some would like to stay in Hawaii but they cannot afford it. The military is changing as outgoing personnel have higher education levels with bachelor's and master's degrees, including their spouses. It is a challenge for spouses to find work at the level they were at as many have found that they must start at the lowest level to work in Hawaii. He said HireNet Hawaii is a good tool. The committee is working on a plan of action for solutions to these issues.

4. Performance Measures & Accountability

Committee Vice Chair Marian Tsuji left the meeting early. No report.

5. Sector Strategies & Career Pathways

Committee Chair Sunshine Topping explained the committee met in November with guest speaker Alex Harris of the Castle Foundation who shared a recent study that the Foundation conducted on K-12 work-based learning in Hawaii. The report concluded that high quality work-based learning requires investments in teachers, in equipment, in transportation, and coordination. These investments must be made in places where some critical success factors already exist, where relationships have been built between schools, intermediaries, and industry, and where leaders who bridge and stretch are taking the initiative. The report also stated that Hawaii has many assets to build on such as successful models to learn from, progress on aligning standards and articulation, industry has a number of willing “civic entrepreneurs,” and new capacity is being built in schools and community organizations.

She spoke of the need for teachers to get real life experiences with businesses that will provide practical value to their students as they prepare for the workforce.

6. Youth Services

Committee Chair Ian Kitajima not present. No report.

VI. Announcements

The WDC board meetings will continue to be held quarterly on the second Thursday of the month at 9:30 a.m. The 2018 schedule of meetings: March 8; June 14; September 13; and December 13, 2018.

VII. Adjournment

Chair Wilkins adjourned the meeting at 12:04 p.m.