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LESLIE WILKINS
CHAIRPERSON

ALLICYN C.H. TASAKA
EXECUTIVE DIRECTOR

STATE OF HAWAII
WORKFORCE DEVELOPMENT COUNCIL
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Workforce Development Council Meeting
Thursday, June 14, 2018
9:30 a.m. — 12:30 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
Susan Foard (Designee for Pankaj Bhanot, Director, DHS)
George Costa (Designee for Kauai Mayor Bernard Carvalho)
Leonard Hoshijo, Director, DLIR
Lois Iyomasa (Designee for Leonard Hoshijo, Director, DLIR)
Sean Knox, President, Hawaii Employment Services
Bernadette Howard & Scott Murakami (Designees for David Lassner, President, UH)
Gladys Quinto Marrone, CEO, Building Industry Association of Hawaii
Helen Sanpei (Designee for Christina Kishimoto, Superintendent, DOE)
Alicia Moy, President & CEO, Hawaii Gas Co.
Yvette Gibson, HR Manager, Talent Acquisition, Hawaii Pacific Health
Sheryl Nojima, President of Gray, Hong, Nojima, and Associates
Shannon Okinaka, Executive Vice President & CFO, Hawaiian Airlines
Yang-Seon Kim (Designee for Luis Salaveria, Director, DBEDT)
Brian Tatsumura, Owner, Briant 808 LLC
Sunshine Topping, Vice President of Human Resources, Hawaiian Telcom
Marian Tsuji, President & CEO, Lanakila Pacific
Winona Whitman, Employment & Training Director, Alu Like, Inc.
Michael Kamiya, Sales Director, Kamiya Gold, Ltd.

Members Absent:

Glenn Alcalde, Training Coordinator, Hawaii Carpenters Apprenticeship and Training Fund
Brian Nagami (Designee for Maui Mayor Alan Arakawa)
Bobby Ayonon, Chair, Kauai County Workforce Development Board
Evelyn Barfield, Human Resources Business Partner, Hunt Companies
Manuel Valbuena (Designee for Honolulu Mayor Kirk Caldwell)
David DeLuz, Jr., Chair, Hawaii County Workforce Development Board
Glen Kaneshige, President, Nordic PCL Construction, Inc.
Senator Jill Tokuda, Hawaii State Senate

Neil Gyotoku (Designee for Hawaii County Mayor Harry Kim)
Ian Kitajima, Director of Corporate Development, Oceanit
Representative Mark Nakashima, Hawaii State House of Representatives
Edward Richardson, Major General (Retired), Owner, Edward V. Richardson, LLC
Charles Shima, Training Coordinator, Plumbers Union Local 675
Dwight Takamine, Legislative Director (retired), ILWU
Barry Taniguchi, Chairman & CFO, KTA Super Stores
Jason Chang, Chair, Oahu Workforce Development Board
Beth Whitehead, Executive Vice President, CAO, American Savings Bank
Jason Ito, Director, Administration & Planning Kyo-Ya Management Company

Guests:

Doris Dvonch, Office of the Attorney General
Debbie Miyao, Adult Education, DOE
Lyn Uratani, Oahu Workforce Development Board
Alison Lum, Oahu Workforce Development Board
Justin Sarce, Oahu Workforce Development Board
Phyllis Dayao, Research & Statistics Officer, DLIR
Dale Castro, Mililani Waena Elementary School, DOE
Aadel Khandaker, EEO Officer, DLIR
Michael Kern, FEMA
Carol Kanayama, Workforce Development Division, DLIR
Maricar Pilotin-Freitas, Workforce Development Division, DLIR
George Massengale, Kapiolani Community College
Kaeo Bradford, Kauai Workforce Development Board
Gordon Lum, Adult Education, DOE
Arthur Barba, Unemployment Insurance Division, DLIR
Mel Resonable, Hawaii Gas Co.
Riley Fujisaki, House Finance Committee

Staff:

Allicyn Tasaka, Executive Director
Jeanne Ohta, Special Projects Specialist
Maria-Elena Diaz, Employment Analyst IV
Wayne Liou, Employment Analyst IV
Jiji Masangkay, Program Budget Analyst IV
Kathy Miyahira, Accountant IV
Lina Rivera, Accountant III
Kayla Rosenfeld, WIOA Specialist & Statewide Rapid Response Coordinator
Jayson Muraki, Workforce Information & Data Coordinator
Jan Kusakabe, Office Manager

I. Call to Order

Chair Leslie Wilkins called the meeting to order at 9:38 a.m. and declared that quorum was achieved with 16 voting members present. She announced she will exercise her prerogative as the chair to reorder the agenda on non-voting items to accommodate the schedule of presenters and to maintain quorum.

II. Approval of Minutes for the March 8, 2018 Board Meeting

Chair Wilkins requested a motion to adopt the minutes. Sunshine Topping motioned to adopt the minutes of the March 8, 2018 Board meeting. Marion Tsuji seconded the motion. There were no questions. The motion was adopted as circulated with 16 votes in favor, no abstentions, and none voting no.

The Board paused for a moment of silence to remember Albert Perez, former administrator of the Division of Vocational Rehabilitation and Linda Sakamoto, former WDC Employment Service Specialist; both passed recently.

Chair Wilkins welcomed back Doris Dvnoch from the Office of the State Attorney General and introduced first-time attendees: Lois Iyomasu, Deputy Director of DLIR and the director's designee to the Council; Aadel Khandaker, Equal Employment Officer of DLIR; and Michael Kern of the Federal Emergency Management Agency (FEMA).

III. Update on Natural Disasters & Recovery Efforts on Kauai, Hawaii Island and East Honolulu

Kayla Rosenfeld, WDC WIOA Specialist & Statewide Rapid Response Coordinator, provided an update on statewide Rapid Response Activities.

Kayla Rosenfeld shared the 10 Quality Principles of Rapid Response, developed by the State of Oregon, a leader in dislocated worker services, to guide Hawaii's Rapid Response program and services. Through the alert mechanism of the Worker Adjustment and Retraining Notification (WARN) system WDC and its partners have initiated rapid response services with businesses scheduled to close. Employers affected include Kmart, Saint-Germaine Bakery, and Toys "R" Us.

Rosenfeld conducted site surveys of the disaster recovery centers on Kauai and Hawaii Counties, and East Honolulu. Invaluable data was collected on the scope of assistance and was included in the Dislocated Workers Grant application submitted to the U.S. Department of Labor (U.S. DOL). WDC submitted a grant application to U.S. DOL on May 11, 2018, requesting \$500,000 to assist businesses and displaced workers affected by the floods on Kauai and East Oahu. As of the date of this report 1,050 individuals received aid from the disaster response centers.

Rosenfeld presented informative data on the ongoing volcanic eruption which helped frame the context of DLIR's role in responding to the disaster. DLIR's designation is ESF 6 (Emergency Support Function 6 – mass care). Rosenfeld and Khandaker have attended daily disaster recovery update briefings via conference call. WDC submitted a second Dislocated Worker Grant application on June 5 to request \$3.5 million to support Hawaii County.

Kauai County disaster recovery update by George Costa.

George Costa remarked that besides county resources, grass roots organizations had walked the affected communities and engaged 500 residents to assess their needs and survey the damage.

His office has followed up and continues to follow up with the names on the survey to respond to questions and concerns. Data collected was invaluable in helping to focus follow-up aid and support.

Hawaii County disaster recovery update by Neil Gytoku via phone from Hilo.

Hawaii County is awaiting a Presidential Disaster Declaration before FEMA can set up a disaster recovery center which will include a presence of the American Job Center (AJC). Gytoku has coordinated with Rosenfeld for rapid response briefings on June 19 at the Cooper Community Center, Volcano Village and June 20, at the Pahoa Community Center. Kona area businesses have requested services. Visitor industry businesses have been affected by the eruption and are having to lay off workers.

There were 467 homes destroyed by the lava or by the effects of the eruption. A total of 350 displaced persons were being fed and cared for at shelters. The estimated property loss was \$80-\$90 million. The estimated economic loss was \$200 million. Gytoku asked board members to contact him with suggestions and ideas on increasing economic development.

The WDB has targeted August 1 to execute an MOU with Hawaii Community College for the start of WIOA Title I Adult and Dislocated Worker services.

Discussion/Concerns/Questions.

Costa offered to speak with Gytoku offline to discuss how the Kauai visitor's bureau created a website and video promoting the theme: Hanalei is open for business. Chair Wilkins remarked that she viewed the video on the visitor channel in her recent stay at the Ala Moana Hotel. The video showcased the business establishments in Hanalei ready to welcome back visitors.

A member remarked that there is much more the State can do to improve its "visit Hawaii messaging" to the world and therefore preempt the negative perception generated by cable news that Hawaii is unsafe to visit. The areas affected by the flood and eruption are but a sliver of the geographic expanse of the State that tourists can experience, and the eruption has been occurring non-stop since 1983.

As a suggestion, Council Vice-Chair Alan Hayashi offered to help reach out to the news media to develop infographics that frame the geography of the disaster areas. Costa responded that Kauai County has worked with Sue Kanoho, Executive Director, Hawaii Visitors and Convention Bureau, to develop a graphic displayed on the Kauai County website which depicts the disaster areas in north Kauai and in the Puna district as an area no larger than 30 square miles.

A member added his agreement to the discussion on the State's weak efforts to preempt negative attention, "to have the blackeyes we continue to get" whether it's due to the eruption or squandered business opportunities, i.e. the TMT project. It's frustrating and it should be a considered interest of WDC.

Vice-Chair Hayashi asked what is the metric for success in assisting affected businesses and

individuals? Rosenfeld responded that individuals who were engaged and received a service, at least for now as a starting point, is a success. He added that it would be interesting to know how many affected residents on Kauai and Hawaii County have considered relocating to Oahu to live and work temporarily as there is a strong demand for workers.

IV. Updates Relating to Board Governance for March to June 2018

A. Workforce Development Council Board Members

During the recent legislative session, the Senate confirmed the appointment of three new board members and the reappointment of two board members to the Workforce Development Council. The three new board members are Jason Ito of Kyo-Ya Management Company; Yvette Gibson of Hawaii Pacific Health; and Michael Kamiya, Kamiya Gold, Ltd. Members reappointed were Sean Knox, Hawaii Employment Services; and Sheryl Nojima; Gray, Hong, Nojima, and Associates. It was announced that Mayor Kirk Caldwell has a new designee, Manuel (Manny) Valbuena, Deputy Director of the Department of Budget and Fiscal Services, City and County of Honolulu.

Board terms ending effective June 30, 2018:

- Marian Tsuji, President & CEO, Lanakila Pacific; Vice-Chair of the Performance Measures & Accountability Committee, and former WDC Chairperson;
- Winona Whitman, Director, Employment & Training, Alu Like, Inc; Vice-Chair of the Youth Services Committee; and
- Edward Richardson, Major General (USAF Retired), Owner, Edward V. Richardson, LLC., and Chair of the Military & Veterans Affairs Committee.

Whitman has submitted her application to reapply for another term. WDC awaits a response from the office of the governor to make the reappointment official. Vice-Chair Hayashi has agreed to temporarily chair the Military & Veterans Affairs Committee until a new chair is named.

B. Executive Committee Report

Report of the Permitted Interaction Group regarding the statewide layoff aversion system

Chair Wilkins reminded members that in the previous meeting the board established the Permitted Interaction Group. The group has met twice. At the first meeting the group received an overview on a best practice layoff aversion model from a layoff aversion specialist in Boston who was connected via conference call. The second meeting focused on the feasibility of implementing one of the best practice layoff aversion models in Hawaii. The group concluded that an effective layoff aversion plan is tied to a strong employer engagement relationship. Therefore, the state's layoff aversion concept needs to be embedded in the employer engagement strategy. Any questions or further discussion on the state's layoff aversion strategy will have to wait until the September board meeting.

The partnership with Hawaii Association of Career and Technical Education (ACTE) to support the 2019 Hawaii ACTE Annual Conference on January 25, 2019.

Sunshine Topping, Chair of the Sector Strategies and Career Pathways (SSCP) Committee requested to allocate a portion, \$15,000, of its year-end balance towards supporting the Advanced Career and Technical Education Annual Conference on January 25, 2019. The event will be held at the Hawaii Convention Center and is expected to be larger than last year's conference. Board members were encouraged to attend. The committee also approved to allocate \$16,000 of its year-end balance to the four Local Workforce Development Boards. Funds will be used to support and sustain the growth and implementation of sector partnership initiatives.

Chair Wilkins called a five-minute recess at 10:40 a.m. Chair Wilkins called the meeting back to order at 10:45 a.m.

Use of a facilitator to develop a statewide business services framework plan for core partners. Glen Kaneshige, Co-Chair of the Employer Engagement Committee was unable to attend. Susan Foard reported on the work of the committee. On the request for proposals for a facilitator to work with core partners and stakeholders to develop a business services framework plan four proposals were submitted. The committee selected Mr. Kim Payton, PhD, dba Turning Point,.

Use of a consultant to outreach and develop branding identity for state workforce system process. Chair Wilkins remarked that the work is ongoing. Question was asked: are we going to meet the deadline? Answer: Yes, we are encumbering funds to meet the deadline.

The Memorandum of Agreement with the DLIR Electronic Data Processing Systems Office (EDPSO) for project management services of the Single Sign-On Registration System.

Data Management and Technology Committee chair Scott Murakami shared with members that the MOA authorizes EDPSO to manage the Single Sign-On project and web development. The MOA was executed and became effective June 14, 2018.

The employee collective bargaining compensation adjustment for staff effective July 1, 2018. At the Workforce Development Council's Executive Committee meeting held on June 7, 2018, the Committee passed a motion to extend approval of the non-performance based 2.25% collective bargaining salary increase for all staff, including the Executive Director effective July 1, 2018. Chair Wilkins shared with members that the Department of Human Resources Development requested the Workforce Development Council approve the increase. Sunshine Topping motioned to approve the salary increase. Vice-Chair Hayashi seconded the motion. There were no questions. The motion was adopted with 17 votes in favor, no abstentions, and none voting no.

C. Finance Committee Report by Chair Shannon Okinaka.

Committee Chair Shannon Okinaka reported that the state funding will continue for Fiscal Year 2018-2019. Committee should start to develop their budget needs in a timely manner to avoid rush to encumber at the last minute.

Fiscal and program on-site monitoring of Oahu and Maui workforce development boards will be conducted in June.

Concerns of the program and participant report as of March 31, 2018:

1. For Kauai, there is still no youth provider contracted and the PY 17 contracts have not been executed.
2. For Maui, concerns for the adult program and cost per participant is high compared to the number of participants served.

Vice-Chair Hayashi asked a point of clarification so that members understand: will all funds be expended by June 30? The answer is as much of the State General funds will be encumbered by June 30.

D. Executive Director's Report on WDC Activities from March to June 2018.

New WDC staff. Executive Director Tasaka introduced four new staff which brings the total WDC staffing to eleven (11). New staff are: Kayla Rosenfeld, WIOA Specialist & Statewide Rapid Response Coordinator and staff coordinator for the Employer Engagement Committee; Maria Elena-Diaz, Employment Analyst and staff coordinator for the Sector Strategies & Career Pathways Committee and staff coordinator for the Youth Services Committee; Wayne Liou, Employment Analyst and staff coordinator for the Performance & Accountability Committee; and Duke Olds, Employment Services Specialist and staff coordinator for the Military & Veterans Affairs Committee. The hiring of staff addresses a U.S. DOL finding that WDC needed to increase its capacity.

Performance negotiations. On May 22, WDC staff met with U.S. DOL to negotiate the state level WIOA performance measures for the following categories: employment rate after six months and twelve months for adult, dislocated worker, and youth; median earnings after six months for adult and dislocated worker; and credential attainment. Measures are valid for program year 2018 and 2019. Local WDBs will review the statewide measures and have until September 30 to concur with the measures or propose their own measures.

Fiscal and program monitoring. Program and fiscal staff will conduct on-site fiscal and program monitoring of WIOA program activities on Oahu and Maui. The Oahu monitoring is scheduled on June 18-19 and Maui is scheduled on June 21-22. Monitoring of Kauai and Hawaii counties has been deferred until the disaster recovery situation stabilizes.

Outreach and training to Local WDBs. Rosenfeld continues her proactive engagement with partners and the business community to anticipate the need for rapid response services. Staff conducted outreach and training to Maui and Kauai boards providing training to new members. Staff gave an WIOA and WDC overview presentation to the new DLIR Deputy Director.

Partner conferences. WDC staff, Diaz attended the Education to Workforce Symposium at the University of Hawaii at Manoa. She gave a brief presentation on WDC. Rosenfeld crafted an information flyer on WDC and made copies of the flyer available for distribution at the symposium. Tasaka encouraged board members to disseminate the flyer to inquirers asking for information about the role of WDC.

V. Reports Related to the Workforce Innovation and Opportunity Act (WIOA)

Chair Wilkins reiterated she will exercise her prerogative to reorder the agenda for non-voting items.

Data Management and Technology Committee report by Scott Murakami.

As was reported earlier the committee executed a MOA with EDPSO for \$165,000 to manage the Single-Sign On project. The agreement includes the project management and web development work.

Murakami met with Costa and Bradford of the Kauai WDB to coordinate their need for economic data as it concerns high-demand occupations in Kauai county. Information will be shared at the next WDB meeting in July.

Regarding the WIOA credential cross-walk tool, Murakami reiterated that there is a difference between the credentials the University of Hawaii offers and the credential recognition that occurs under WIOA. To help the Local WDBs understand the difference a Cross-Walk table was developed. The table makes it easier to understand why a student is enrolled in a particular program of study that leads to a credential in an in-demand occupation. The Cross-Walk table is in draft form and being reviewed for approval. Murakami will provide WDC the approved version and then it will be distributed to the council members.

Hawaii Workforce Development Board report by David DeLuz, Jr.

David DeLuz, Jr. was unable to attend but has provided a written report in the meeting folder.

Kauai Workforce Development Board report by George Costa.

The Kauai WDB has addressed 11 of 16 findings assessed during a U.S. DOL monitoring visit in August 2017. Of the five findings remaining, contracting an AJC operator and a Youth Service Provider are the high priority findings to resolve. Progress is being made on a selection of a Youth Service Provider. The WDB estimates it is a few weeks away from executing a contract.

The Kauai Office of Economic Development was designated as the interim AJC operator because there were no responses to the Request for Proposal for a Kauai AJC operator. This

means Costa is the interim AJC manager which necessitates at least two hours a day spent in the center. Kauai WDB Executive Director and the Workforce Development Division (WDD) staff provide the bulk of the staffing to provide services to the public.

Currently, WDD provides the bulk of the funds to support the programs and services to the public. The county covers the cost of the facility: rent and maintenance services. Other core partners do not have the funds or staff capacity to contribute. The county is contributing a total of \$225,000 to the total cost of the AJC operations.

The Kauai WDB intends to use up the \$19,000 received from the Sector Strategies & Career Pathways Committee, to support its agricultural sector capacity.

This is the fourth year of the board's involvement in the agricultural summer internship program for high school students which starts on June 18 at various farms and ranches. Students will have hands-on experience on agricultural tasks working at the farms and ranches. All learning is work-based. Forty-one high school students signed up.

Maui Workforce Development Board report by Leslie Wilkins

Chair Wilkins provided an update as Brian Nagami was unable to attend. Effective July 1, the AJC will relocate from its current location in Wailuku to the business resource center in the Maui Mall. The AJC staff will share space with the county business development staff. It will leverage the office receptionist, a position paid for out of the county budget, to welcome visitors to the AJC. WDC staff provided board development training at the last WDB meeting. The training was well received; future training events are being planned.

All board and sector strategy partnership vacancies were filled. Consistent with the sector partnership strategy model the board chose the healthcare sector. Professional facilitator, Lindsey Woolsey, has worked with the Maui Economic Development Board to schedule multiple engagements with the medical and health industry to hear their concerns and interests. The engagements provided valuable feedback to support the work of the health pathway committee. The committee has scheduled a strategic planning session on June 20 to examine the industry's interest in a mentorship program. Concerns about work-based learning under such a program design will have to deal with health information confidentiality. Several infrastructure models, e.g. the STEM internship design will be examined as the model for the mentorship program design. Sunshine Topping suggested employing a job shadowing video approach to help work around the confidentiality issue. Maui Councilmember, Don Guzman committed \$50,000 from the county budget toward the development of the mentorship program.

Oahu Workforce Development Board report by Jason Chang.

Alison Lum, Executive Director of the Oahu WDB provided an update as Jason Chang was unable to attend. A written report is provided in the meeting folder. WorkHawaii is contracted as the AJC operator. It expects to have staff representing all four (4) core partners physically co-located in the AJC very soon. The center is located at the Dillingham Plaza. With funds provided

by the Council an AJC sign was purchased and is now installed at the entrance of the center. On June 15, the YouthBuild Program will hold a graduation ceremony at the Neal Blaisdell Center, all members are invited. If interested in attending contact Oahu WDB for more information.

WIOA Core Partner Updates for March to June 2018

Adult Education and Career Pathways by Bernadette Howard.

The team is making great strides in working with partners to eliminate unnecessary duplication of efforts. An additional \$300,000 was received this year in federal funding for workforce training at high school and community colleges. For the time being, it's being kept in the reserves. Will consult with the Council on how funds can be leveraged to aid and support the committees. On June 20, the U.S. Senate is scheduled to mark-up the Carl Perkins legislation which expired in 2013. The significance of the mark-up is a revision of the law and the full support of the administration to maintain federal funding at the current level.

Vocational Rehabilitation report by Susan Foard.

The VR administrator has made completing the MOA with WIOA partners a priority. VR's federal funders provided specific guidance on the funding level that can be allocated for its share of the AJC partnership. Any proposal whereby VR expenditures exceed .10 FTE must be approved by the federal funders.

Wagner-Peyser Act (DLIR – Workforce Development Division) by Carol Kanayama.

WDD continues its relocation efforts to integrate Wagner-Peyser programs and services to the AJCs on Oahu, Maui, and Hawaii county. Kauai staff did not have to relocate as their former office space is the designated AJC location.

Update on apprenticeship grant funding and program. WDD received federal grant funding to develop apprenticeship programs in occupations other than construction trades, for example, healthcare, hospitality, information technology, culinary, and restaurant management. In the initial round of U.S. DOL funding WDD received \$1.5 million to focus on healthcare and information technology apprenticeship programs. A second round of funding for \$1.8 million was received to add more healthcare, culinary line cooks and a restaurant manager apprenticeship program. Most of the second-round funds was provided to Kapiolani Community College to develop and teach the curricula. Examples of training providers supporting the apprenticeship programs: Hawaii Pacific Health, Kapiolani Community and Windward Community Colleges, DevLeague, and Hale Makua Health Services in Maui.

VI. Announcements

A. Report on upcoming conferences and conferences attended.

- The Governor appointed Ian Kitajima, Scott Murakami, and Chair Wilkins to attend the White House Summit on STEM next week. Each governor was allocated three appointees.
- Chair Wilkins and Howard along with members of Kamehameha Schools attended the Western Pathways Conference in Salt Lake City. Keynote speaker was the President of Microsoft. Key takeaway was the focus on the digital divide, the disparity in access to bandwidth across the country especially in rural areas. The bottom line message was access in digital access, bandwidth and speed equals economic development or in this case a lack of access to technology is poverty in economics.
- The U.S. Chamber of Commerce Foundation announced it has posted research findings with recommendations on building the workforce of the future. The final draft will be available in 30 days and when received, WDC will distribute to board members.
- Howard shared that 20 states were represented and many of the states have the same issues as Hawaii, e.g. need to work more closely with middle school age students to discern their aptitudes, staying updated on information and trends, more work-based learning, etc.

B. Meetings are held quarterly on the second Thursday of the month at 9:30 a.m.

C. The scheduled meetings for 2018 are: September 13, and December 13, 2018.

VII. Adjournment

Chair Wilkins adjourned the meeting at 12:06 p.m.