

DAVID Y. IGE
GOVERNOR

JOSH GREEN
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
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Workforce Development Council Meeting
Thursday, December 13, 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
Maureen Bates (Designee for Pankaj Bhanot, Director, DHS)
Nalani Brun (Designee for Kauai Mayor Derrick Kawakami)
David DeLuz, Jr., Chair, Hawaii County Workforce Development Board
Yvette Gibson, HR Manager, Talent Acquisition, Hawaii Pacific Health
Neil Gyotoku (Designee for Hawaii County Mayor Harry Kim)
Alan Hayashi, WDC Vice Chair, and Owner, Consult 808
Leonard Hoshijo, Director, DLIR
Michael Kamiya, Sales Director, Kamiya Gold, Ltd.
Yang-Seon Kim (Designee for Luis Salaveria, Director, DBEDT)
Ian Kitajima, Director of Corporate Development, Oceanit
Sean Knox, President, Hawaii Employment Services
Brian Lee, Executive Director, Hawaii Laborers-Employers Cooperation & Education Trust Fund
Gladys Quinto Marrone, CEO, Building Industry Association of Hawaii
Scott Murakami (Designee for David Lassner, President, UH)
Sheryl Nojima, President of Gray, Hong, Nojima, and Associates
Helen Sanpei (Designee for Christina Kishimoto, Superintendent, Department of Education)
Sunshine Topping, Vice President of Human Resources, Hawaiian Telcom
Manuel Valbuena (Designee for Honolulu Mayor Kirk Caldwell)
Winona Whitman, Employment & Training Director, Alu Like, Inc.
Karen Wong, Vice President of Administration, Lanakila Pacific
Tim Wong (Designee for Jason Chang, Chair, Oahu Workforce Development Board)
Elaine Young (Designee for Leonard Hoshijo, Director, DLIR)

Members Absent:

Glenn Alcalde, Training Coordinator, Hawaii Carpenters Apprenticeship and Training Fund
Evelyn Barfield, Human Resources Business Partner, Hunt Companies
Jason Ito, Director of Administration & Planning, Kyo-Ya Management Company
Glen Kaneshige, President, Nordic PCL Construction, Inc.
Steve Lupkes, Chair, Kauai Workforce Development Board
Alicia Moy, President & CEO, Hawaii Gas Co.
Brian Nagami (Designee for Maui Mayor Alan Arakawa)

Representative Mark Nakashima, Hawaii State House of Representatives
Shannon Okinaka, Executive Vice President & CFO, Hawaiian Airlines
Charles Shima, Training Coordinator, Plumbers Union Local 675
Barry Taniguchi, Chairman & CFO, KTA Super Stores
Brian Tatsumura, Owner, Briant 808 LLC
Beth Whitehead, Executive Vice President, CAO, American Savings Bank

Guests:

Pat Anbe, Waipahu Community School for Adults, DOE
Cheryl Cross, Booz Allen Hamilton
Phyllis Dayao, Research & Statistics Officer, DLIR
Doris Dvonch, Office of the Attorney General
Ann Greenlee, US DOL / Vets
Joni Heatherly, Workforce Development Division, DLIR
Amelia Jodar, Department of Public Safety, CPS-Education
Carol Kanayama, Workforce Development Division, DLIR
Alison Lum, Oahu Workforce Development Board
Gordon Lum, Waipahu Community School for Adults, DOE
George Massengale, Kapiolani Community College
Debbie Miyao, Director of Adult Education, DOE
Liane Hu Okumura, Olomana Loomis ISC
Christine Park, Waipahu Community School for Adults, DOE
Kim Payton, Turning Point
Maricar Pilotin-Freitas, Workforce Development Division, DLIR
Mel Resonable, Hawaii Gas co.
Alan Tang, Olomana Loomis ISC
Linda Uesato, Unemployment Insurance Division, DLIR

Staff:

Allicyn Tasaka, Executive Director
Maria-Elena Diaz, Employment Analyst
Wayne Liou, Employment Analyst & Economist
Kathy Miyahira, Accountant
Michelle Miyashiro, Office Manager
Jayson Muraki, Workforce Information & Data Coordinator
Jeanne Ohta, Special Projects Specialist
Mark Olds, Employment Service Specialist
Lina Rivera, Accountant
Kayla Rosenfeld, Statewide Rapid Response Coordinator

I. Call to Order

Chair Leslie Wilkins called the meeting to order at 9:35 a.m. and declared that quorum was achieved with 19 voting members present. Chair Wilkins congratulated Yvette Gibson who has been appointed to represent the Workforce Development Council (WDC) on the Career and Technical Educational (CTE) Advisory Board. Chair Wilkins and Sunshine Topping also serve

on the CTE Advisory Board. Chair Wilkins thanked Karen Wong, Vice President of Administration at Lanakila Pacific, who will serve as Vice Chair of the Finance Committee. Wong is a CPA and has auditing experience.

Chair Wilkins introduced Christen Lee, Civil Rights and EEO Officer with the Department of Labor & Industrial Relations (DLIR), who will represent the Director and Deputy Director at WDC meetings when they are not available, Manny Valbuena, Deputy Director of the City's Budget & Fiscal Services, Tim Wong, Vice Chair of the Oahu Workforce Development Board, and Nalani Brun who will report for the Kauai Workforce Development Board during this time of transition.

Chair Wilkins acknowledged Linda Uesato, Unemployment Insurance Administrator, who will be retiring after 44 years of service, and Debbie Miyao, Director of Adult Education, who was instrumental in developing the adult education plan for our unified state plan. Chair Wilkins also recognized Lester Tanji, Registrar for the Department of Education (DOE), who helped with Federal reports and collaborated with the Data Management Committee on the Single Sign-On Registration system, and Susan Foard, Deputy Administrator and Acting Administrator for the Department of Human Services (DHS) Division of Vocational Rehab, although Tanji and Foard were unable to attend. Chair Wilkins thanked those who served on the board but will leave or have already left their positions as the new County Administration transitions on Kauai and Maui County: George Costa, who is now General Manager of Hanalei Bay Resorts, and Kaeo Bradford from Kauai County who were always active members representing Kauai on this board, and Brian Nagami, Executive Director of the Maui County Workforce Development Board.

Chair Wilkins thanked Director Hoshijo and Scott Murakami for representing Hawaii and the WDC at the National Governors Association (NGA) meeting in Las Vegas earlier in December.

II. Approval of Minutes for the October 4, 2018 Board Meeting and Executive Session

- A. Alan Hayashi motioned to adopt the minutes of the October 4, 2018 regular Board meeting. Sunshine Topping seconded the motion. The motion was adopted as circulated with 22 votes in favor, no abstentions, and none voting no.
- B. The minutes of the Executive Session were distributed to the voting members. Sunshine Topping motioned to adopt the minutes of the October 4, 2018 Executive Session. Scott Murakami seconded the motion. The motion was adopted as circulated with 22 votes in favor, no abstentions, and none voting no.

III. Presentations

- A. **“Workforce and Labor Market Trends and Challenges for Policy Makers” as presented by Phyllis Dayao, Research & Statistics Officer, Department of Labor & Industrial Relations.**

Phyllis Dayao presented “Workforce and Labor Market Trends and Challenges for Policy Makers”, which can be found at this link:

https://labor.hawaii.gov/wdc/files/2018/12/RS-WLMI_-20181213.pdf

The federal workforce grant requires the Research & Statistics (R&S) office to provide training and employee development to workforce boards and the American Job Centers (AJCs) to ensure quality service delivery. The R&S office will be contacting offices to schedule the training. The R&S office also has a Twitter feed so people can receive alerts about the latest publications from their website Hawaii Workforce Infonet (HIWI).

There are many challenges for workforce development: occupational licensing policies, workers exiting the workforce due to injury or illness, the aging of the workforce, and drug abuse. One challenge Dayao would like everyone to think about is the implementation of WIOA in the state of Hawaii. WIOA was created to address the challenges presented earlier: tightening of the workforce, fight for talent, recruitment of high quality candidates, and the mismatch of skills. Through WIOA, employers are discovering that partnerships with education and training can spur interest in careers in their industries. They can reinforce the importance of essential employability skills. Through WIOA, employers have access to resources such as AJCs, apprenticeships and other training services. Through WIOA, employers who serve on the WDC and local workforce development boards and on sector strategy partnerships can shape solutions and help to build the workforce that we need.

Yang-Seon Kim asked how often the statistical information on the website is updated and if they report on age specifics for the labor force participation rate. Dayao explained they create the reports on request. There are tools on the left navigation bar that is integrated with HireNet Hawaii. The R&S office doesn't keep track of demographic data and would have to check census data for the ages in the labor force participation rate. Maureen Bates asked if there is tracking on those who complete the education track and how many of them stay employed in Hawaii versus transiting out. R&S doesn't track that information, but the DXP project by Hawaii P-20 tracks that but they can only track those who go through the University of Hawaii system. Bates stated there are more than 61,000 adults with disabilities in the state and 39% of those between 18 – 64 are working and asked if the data drills down to that level. Dayao responded they track the labor force as a whole and not on specific populations. Another question was asked if there is data on the agricultural sector since it was not included in the presentation. Dayao explained that the Department of Agriculture keeps their own data.

B. Report on draft of Statewide Business Services Framework Plan by Dr. Kim Payton, Turning Point.

Dr. Payton presented his draft of a Statewide Business Services Framework Plan, which can be found at this link:

<https://labor.hawaii.gov/wdc/files/2018/12/WDC-Board-Presentation.pdf>

Chair Wilkins pointed out that one important point is for the AJCs to outreach to businesses. Businesses, especially those with one HR person who is already overwhelmed and needs assistance, don't have the time to go out and explore options.

AJCs can work as the nexus of our resources, but they need to go out to the business customer to be effective. Chair Wilkins also noted that the mid-morning focus groups held on the neighbor islands may not have had a great business response because of the time of day the meetings were held. Evening meetings may have generated more response. Sunshine Topping suggested allowing smaller businesses use the conference centers in the AJCs. Cheryl Cross shared her story of how Scott Murakami and Jayson Muraki trained her on the use of HireNet when she wasn't able to find candidates for her job openings. Brian Lee suggested the model for-profit job placement agencies use such as an account executive assigned to a business so the business doesn't have to put a lot of effort in, such as signing up and creating an account. Dr. Payton responded that some AJCs do that and some don't. Ian Kitajima shared that the list of fastest growing jobs in the next eight years should be a wake-up call. He is concerned that there are not enough qualified candidates for high-level technical positions. Alan Hayashi echoes Kitajima's point when it comes to ship repair. The state may be losing \$1.3 billion from the Navy over the next seven years due to loss of jobs, lack of facilities, and lack of trained individuals.

C. Status report on Employer Outreach and Workforce Branding Strategy by Olomana Loomis ISC's Alan Tang, Chairman & CEO and Liane Hu Okumura, Senior Communications Project Manager.

Alan Tang and Liane Hu Okumura of Olomana Loomis presented a status report on their Employer Outreach and Workforce Branding Strategy, which can be found at this link: <https://labor.hawaii.gov/wdc/files/2018/12/WDC-Board-Presentation.pdf>

D. Report on HireNet shared costs, HireNet contract and Single Sign-On Registration System by Scott Murakami, Director of Workforce Development, University of Hawaii Community Colleges and Chair of the Data Management and Technology Committee.

Scott Murakami presented a report on HireNet shared costs, the HireNet contract and Single Sign-On Registration System, which can be found at this link: <https://labor.hawaii.gov/wdc/files/2018/12/Data-Management-Committee-Presentation-and-Recommendations.pdf>

IV. Updates Relating to Board Governance for October to December 2018

A. Executive Committee Report and Recommendations by Chair Leslie Wilkins

The Executive Committee is recommending the acceptance of the concept of the draft Statewide Business Services Framework Plan presented by Dr. Kim Payton. Staff and leadership will continue to seek input and tweak the draft plan.

Sunshine Topping motioned to adopt the concept of the draft Statewide Business Services Framework Plan. Alan Hayashi seconded the motion. There were no questions or further

discussion. The motion was adopted with 18 votes in favor, no abstentions, and none voting no.

The Executive Committee is recommending the HireNet contract go back to the Workforce Development Division (WDD) as of July 1, 2020 and WDC will continue to manage the Geographic Solutions component through June 30, 2019. WDD will be responsible to issue the Request for Proposal of a updated statewide system. The conversation is ongoing and will continue at the Executive Committee level.

B. Finance Report by Karen Wong, Finance Committee Vice Chair

Finance Committee Chair Shannon Okinaka was unable to attend the meeting so Vice Chair Karen Wong gave the report. As of September 30, 2018, WDC spent \$475,570, of which \$380,060 was in administrative costs. The balance remaining is about \$5.3 million. One area of concern for the local area finances is the Adult program in Maui which has expenses but no participants. The local areas have two years to spend their funds and the remaining unused funds return to WDC, who then has one year to spend it on statewide activities. There is \$283,657 being returned from the local areas and \$320,295 from Rapid Response to WDC that needs to be used by June 30, 2019. WDC encumbered \$380,726 and spent \$284,485 through September 30, 2018, leaving a balance of \$96,241.

C. Executive Director's Report on WDC Activities from October to December 2018 by Allicyn Tasaka

Update on staff responsibilities. Wayne Liou will be the lead contact for the Oahu Workforce Development Board (OWDB), assisted by Jeanne Ohta. Kayla Rosenfeld was the previous liaison for the OWDB but will focus on statewide rapid response and emergency disaster grants.

Update on Rapid Response by Kayla Rosenfeld, found here:

<https://labor.hawaii.gov/wdc/files/2018/12/Rapid-Response-Report-for-WDC-Board-Meeting-12.13.18.pdf>

US Department of Labor (USDOL) Technical Assistance. The USDOL approved WDC's request for technical assistance. Maher & Maher consultants have been contracted to provide facilitation services to Hawaii. The primary focus will be with the local boards, staff, and the partners in the AJCs to facilitate discussion towards understanding and working in collaboration on the Memorandum of Understanding (MOUs) and Infrastructure Funding Agreement (IFAs). They will provide a deeper discussion on how to operate a fully comprehensive and functioning AJC. They will visit all counties, but focus on Maui County and Kauai County as they are aware there is a transition with a new administration coming in. They will be visiting between January to March 2019 and develop a plan for each county to provide direction for success at the AJCs. WDC may have to pay extra costs if the assistance time goes beyond March 2019.

Corporation for National and Community Service. Kayla Rosenfeld and Wayne Liou will be applying for an application with AmeriCorps VISTA to provide three to five VISTA workers, one on each island, to assist the local boards in developing policies and procedures and capacity building. The hope is to have one VISTA worker in the WDC office who will oversee the VISTA workers on the neighbor islands and work on the Rapid Response infrastructure.

Society for Human Resource Management (SHRM). SHRM reached out to the WDC about their pilot fellowship program for Human Resource professionals to elevate their skills. They may contact Sunshine Topping and the Sector Strategies & Career Pathways committee for funding, but WDC is hoping the participants in their program can work with the AJCs and their case managers on human resource techniques. They can also learn about HireNet and how they can use it to their advantage.

Transitioning Administrations. WDC had a conference call with the new Managing Director of Kauai, Mike Dahilig. Dahilig seems eager to make adjustments, establish firewalls, and work on funding mechanisms. A conference call with Robbie Melton, new Director of the Kauai Office of Economic Development, is scheduled for January 2019. Maui Mayor-Elect Michael Victorino will take office on January 2, 2019 and has announced a few of his cabinet members. Chair Wilkins will assist in making contact and making him aware of the local board's role and responsibilities, the WDC, and the need for a comprehensive AJC.

A list of accomplishments in 2018 was included in the Executive Director's report, found here: <https://labor.hawaii.gov/wdc/files/2018/12/Final-ED-Report-for-WDC-Board-12.13.18.pdf>. Executive Director Tasaka is also working on a comprehensive WDC annual report to be submitted to the Governor and the legislature.

On behalf of the WDC staff, Executive Director Tasaka thanked everyone for their hard work in 2018. There has been progress and setbacks but collaboration is building and we would like to continue that momentum into 2019.

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

A. Program Highlights from Each County's Workforce Development Board for October to December 2018

1. Hawaii County Workforce Development Board by Chair David DeLuz, Jr.

Hawaii County Chair DeLuz, Jr. reported another closure affecting Hawaii Island. Big Island Dairy, with 24 employees, will be closing in February 2019. DeLuz, Jr. suggested looking at possible policy conflicts within government that is creating shutdowns inadvertently. If policy is not consistent, it is contrary to our function and can make it more difficult at times. He thanked Kayla Rosenfeld for addressing the many closures the Big Island has had to face in recent times. The Hawaii County AJC is getting close to being fully functional. Their RFP was just granted for the Office of

Continuing Education and Training (OCET) at Hawaii Community College for the Adult Dislocated Worker.

2. Kauai Workforce Development Board Report by Nalani Brun

The Kauai County Administration is still in transition and the positions are slowly being filled.

3. Maui Workforce Development Board Report by Chair Leslie Wilkins

Chair Wilkins thanked Brian Nagami for his leadership as Executive Director. Maui's MOUs and IFAs will be complete once they receive a signature from the Department of Human Services (DHS), hopefully by the end of the year. Chair Wilkins also thanked Mayor Alan Arakawa for making workforce a priority for his administration.

4. Oahu Workforce Development Board Report by Vice Chair Tim Wong

County Vice Chair Wong had to leave early so Alison Lum, Executive Director of the Oahu Workforce Development Board (OWDB), reported. Lum thanked the OWDB partners for their support. It is through their effort they have a comprehensive AJC. Co-location is going well and will conduct partner surveys soon. Lum encourages everyone to read the success stories attached to their report. Lum also reported that Tim Wong, as Chair of the OWDB Finance Committee, is very concerned about the approval of the PY17 budget modification and would like a definitive timeline of when the PY18 contracts will be approved. With a temporary freeze in the budget, they are worried that it could impact or cause a break in service.

B. WIOA Core Partner Updates for October to December 2018

1. Adult Education and Career Pathways (Dept. of Education and University of Hawaii) Report by Helen Sanpei

Mckinley Community School for Adults and Waipahu Community School for Adults expressed gratitude to Adult Education Director Debbie Miyao for her dedication and support of adult education in Hawaii.

2. Vocational Rehabilitation (Dept. of Human Services) Report by Maureen Bates

The Division of Vocational Rehabilitation (DVR) remains in order of selection: looking at applicants, determining their eligibility, and putting them on the deferred list while referring them out to the community partners. There are 531 individuals statewide looking for employment that are awaiting services while DVR resolves a \$1.8 million deficit penalty with the Federal government. They hope to have a resolution by March 2019 with payments made between 2020 and 2021. At the end of the Federal fiscal year 2018, average hourly rates of pay increased from \$14.00 to \$15.90 per hour. They are working on MOUs and IFAS with Hawaii County and Kauai County.

3. Wagner-Peyser Act (Dept. of Labor and Industrial Relations – Workforce Development Division) Report by Elaine Young and Carol Kanayama

Carol Kanayama reminded attendees about the Windmills training to help employers and supervisors become comfortable with hiring and working with someone with a disability. There is a free two-hour executive session followed by two days with speaker Richard Pimentel. On October 30, 2018, WDD, along with DVR and Department of Health, helped with a reverse job fair where students with disabilities participated with about 70 employers at the State Capitol.

C. Board Committee Reports on Activities of Committees for October to December 2018

1. Data Management & Technology Committee by Chair Scott Murakami

The committee is looking to conduct training on the single sign-on registration system and HireNet around February 20, 2019 for all of the counties. The system has moved into Phase 2 where the Electronic Data Processing Systems Office (EDPSO) is looking at the encryption levels. The data is safe at rest and are looking at the encryption levels in transit. The committee is confident they will make the September 30, 2019 deadline.

2. Employer Engagement Committee by Board Chair Leslie Wilkins for Committee Chair Glen Kaneshige

The committee has been working with Dr. Payton and Olomana Loomis on the presentations heard at this meeting. The committee will discuss how to use the information to implement the recommended employer engagement strategies.

3. Military and Veterans Affairs Committee by Interim Chair Alan Hayashi

The committee met seven times in 2018 and attendance has gone from six to sixteen committee members, showing an increase in interest and involvement. Veterans are a labor force that are already trained and the Federal government pays for six months of their transition out of service, making them appealing to employers. Vice Chair Ann Greenlee expanded on the Skill Bridge program. The military member completes their last six months of service working for an employer and getting paid by the military. This allows the military member to receive training and a job when they leave service, the employer receives a trained asset to their company. The Hire Veterans Medallion Program (hirevets.gov) is a nationally recognized award program for employers who hire and retain veterans. Greenlee offered to go anywhere to give a briefing to employers regarding the program. Hayashi acknowledged staff member Duke Olds for his work on the committee. Olds stated the meetings this year focused on transition issues of occupations and the committee discussed teaching, nursing, emergency medical technician, truck drivers, IT, pilots, aircraft mechanics, and business services in the state government and the University of Hawaii system. In 2019, the committee will sharpen its focus on some of the above occupations and on the recommendations they can make to the full Council.

4. Youth Services Committee by Committee Vice Chair Winona Whitman

The committee started with seven members and has grown to twenty members from a variety of agencies such as Oceanit, Department of Education, Kupu, Kamehameha

Schools, Hale Kipa, Family Tree Project, Maui Economic Development Board, Bizgenics, Foster Youth Judicial System, Leeward Community College, Hawaii P-20, Hawaii State Department of Defense Community Programs, Hawaii Youth Services Network, Adult Friends for Youth, Residential Youth Services Empowerment, and Community Affairs with the Honolulu Police Department. Whitman thanked staff member Maria-Elena Diaz for her work with the committee.

5. Sector Strategies & Career Pathways Committee by Maria-Elena Diaz for Sunshine Topping

The Chamber of Commerce presented on Sector Partnerships at the last committee meeting. Working with the University of Hawaii Sector Partnership group, they primarily focus on three Oahu sector partnerships that have identified workforce issues as a priority – hospitality and tourism; engineering, construction and design; and healthcare. The committee renewed its commitment to addressing workforce development needs that emerge from the sector partnerships. However, the committee declined to take on the role of Sector Partnership Leadership Council after much discussion. The vision for the priorities of that Council extends beyond the responsibilities of the committee and WDC but the committee will support them in the workforce issues that may arise. Michael Moser from Windward Community College also presented at the last meeting regarding HINET, a partnership between Department of Human Services and the Community Colleges that provides career development through higher education and training to SNAP clients.

VI. Announcements

- A. 2019 Meetings will be held quarterly on the second Thursday of the month at 9:30 a.m. – 12:30 p.m.
- B. 2019 Scheduled Meetings: March 7*, June 13, September 12, December 12 (*Conference room was not available on March 14, 2019)
- C. The Maui County Health Sector Partnership has recently been tapped as a national model for having 130 participants, about 80 of those are medical providers and industry professionals. They will be traveling to Austin to train other Health Sector Partnerships and will be looking into creating an Innovation Sector.

VII. Adjournment

Chair Wilkins adjourned the meeting at 12:50 p.m.