

Kaua`i WIB report to the WDC

Date:	February 8, 2010
Island:	Kaua`i County
Prepared by:	Jan Miyamoto, WIA Administrator

1) SUMMARY

CURRENT STATE OF KAUA`I'S WORKFORCE

Kaua`i's unemployment rate continues to slowly decline from an 11% high in June 2009 down to 8.9% for the last two months of 2009. Yet it remains at more than 2% above the State's unemployment rate.

Despite this seemingly encouraging decline in UI rate, on a month-over-month basis, Kauai is still continuing to experience job losses, further reduction in the total number employed, and a shrinking labor force. Since December 2008, Kaua`i lost 7.5% of its jobs, employed workers declined by 7.4% and our labor force shrank by 6%. The only area that reflected nominal growth was in healthcare; so the health care and emerging industries grant will be especially important for Kaua`i, if it is awarded to the State.

Of Kaua`i's 10 largest employers, 8 reduced staff during the year while 2 had increases.

- Manu Kai (Akimeka and ITT joint venture), the government contractor for PMRF operations, expanded its workforce during 2009. (Kaua`i's 4th largest employer)
- St. Regis Princeville reopened in September and expanded its workforce by about 30% by year end. (Kaua`i's 5th largest employer)

Other positive notes:

- Kukui`ula Shopping Village in Poipu had 7 new tenants open for business during the last 3 months, doubling the number of businesses now open.
- The Lihu`e McDonalds restaurant that was razed in October to make way for a new structure planned to re-open in April, is ahead of schedule and should re-open in March.
- Grove Farm is growing biomass, harvesting algae for biodiesel and jet fuel, and searching for more opportunities for photovoltaic applications.
- Kalāheo Steakhouse & Ribs just opened for business with 30 employees and is getting rave reviews. It resurrected a site that had been closed for at least 2 years.
- Kaua`i Community College Spring 2010 enrollment is up 21.6% over last year which was also up 15.7% over 2008.
- Three seed companies plan to expand their facilities within the next two years which will mean construction jobs and potential additional employment opportunities in the industry.

Projects still moving forward:

- Private company still plans to utilize the Gay and Robinson sugar mill and some of its fallow lands to grow another type of sugar plant for the production of ethanol. It is anticipated that some G & R's laid off workers may secure employment with this company upon its market entry, although it probably will not be until late 2011.

- A concentrated solar thermal power plant is being developed for the Westside that will produce 10 megawatts by 2011 to be sold to our Kaua‘i Island Utility Cooperative. It’s workforce needs still must be determined.

Business closures and layoffs continue to be announced:

- Poī‘pū Beach Broiler (formerly known as House of Seafood) closed abruptly at the end of November, after having been open for over 25 years. The restaurant is now for sale.
- Waipouli Beach Resort, a high-end private ownership condominium project that opened about 2 years ago and which has many units in a vacation rental pool, closed its Aveda spa operations in October, F & B at the end of November & reduced its housekeeping services as well.
- Ninety percent (90%) of Kaua‘i’s carpenters are on the bench so new recruits are no longer being accepted for the Union’s apprenticeship program.
- Layoffs of Adult Mental Health workers has resulted in a dramatic reduction in service referrals leading to layoffs of service provider staff.
- The Kaua‘i Grand Hyatt will begin a major room renovation project in April that will involve half of their rooms. As our largest employer, this will greatly impact the island.

2) INDIVIDUAL PROGRAMS

WorkWise – Kaua‘i – ADULT AND DISLOCATED WORKER PROGRAMS

Walk-in traffic to the WorkWise – Kaua‘i One-Stop Job Center had extreme variation during the past 3 months, with December’s 34 being the average per day low for the past 12 months, while January 2010’s 51 was the average per day high for the office.

Progress continues to be made in the Adult and Dislocated ARRA WIA programs that are integrated with the formula programs. As of February 5, 2010:

PROGRAM	# PARTICIPANTS	# EMPLOYED	% EMPLOYED	Wkng But Want More Hrs	# IN TRAINING	% IN TRAINING
ADULT						
ARRA	9	4	44%	1	3	33%
Formula	6	2	33%			0%
Total	15	6	40%	1	3	20%
DISLOC WKR						
ARRA	12	8	67%	4		0%
Formula	7	3	43%		1	14%
Total	19	11	58%	4	1	5%
NEG	2				2	100%
SCESP	16	16	100%			

During the first week of December, staff were extremely busy with rapid response and follow up events on behalf of Gay & Robinson's 130+ laid off workers, many of whom English is their second language. During the quarter, staff continued to attend various committee meetings.

Although the WorkWise-Kaua'i conference room is now used almost exclusively for REA activities throughout the week due to the frequency of scheduled sessions, WorkWise was able to assist the University Hawai'i Center and the Job Corp programs with meeting room space.

The Reemployment and Eligibility Assessment (REA) program continues to receive new referrals, each who must participate in four (4) three (3) hour orientations, workshops and activities over an eight (8) week period. As of January 11, 2010, 115 participants had been enrolled in the program.

ABOUT FACE! - WIA YOUTH PROGRAM

As of January 31, the youth program has 51 participants in active case management and 19 participants who are in the one year monthly follow up services. Fifteen (15) new participants were enrolled thus far during the PY 09 program year.

50 - Out-of-School Youth

- 4 received high school diplomas
- 3 returned high school
- 21 in C-Based mastery
- 3 Studying for GED
- 7 attending work readiness classes
- 9 CASAS tested
- 3 educational status unknown

20 - In-School Youth

- 13 graduated High School
- 7 attending college, of whom 1 is also in the Army National Guard

11 - Teen Parents

- 3 fathers –1 studying for GED, 1 working.
- 1 expectant father – in work readiness class
- 5 mothers – 2 in CB classes, 2 working, 1 in work readiness class
- 2 expectant mothers -- in work readiness class

27 are in Unsubsidized Employment

ARRA Summer Youth Employment Program Update

- 21 participants completed Work Readiness coursework
- 20 participated in Work Experience [1 began WE in February after incarceration]
- 14 employers provided work sites
- 14 participants secured unsubsidized employment following SYEP
- 11 participants still employed as of January 31 (52% of initial participants)

The Board authorized a second extension to the ARRA work experience time period to enable a participant who completed the work readiness coursework but not the work experience, to have the opportunity to do so, as well as provide other participants with limited work experience hours, to have additional work experience opportunities.

3) OTHER ITEMS EVENTS/PROGRAMS

Energy Sector Industry Tour

Earlier in the program year, KWIB deferred its annual industry tour to the spring semester. However, due to the DOE furloughs now in effect, the Board is reassessing the target audience and format for this program since it is unlikely that counselors and teachers will be permitted to attend an event held during school hours.

With the County's recent release of its Energy Sustainability Plan Draft, growing local news coverage of energy-related projects planned and underway, our need to better educate the public about green jobs, and the recent award of the SESP grant, there is potential for making this as an island-wide public event.

ARRA funded Capital Projects

Several highways projects are underway which have gotten some laborers back to work. New construction of a fire station and wastewater treatment facility will utilize laborers, masons, and other construction workers. These facilities will include many energy efficiency features which will require expertise of energy specialist and auditors in the future.

Kauai Comprehensive Economic Development Plan Update (CEDS)

Kaua'i WIA Administrator and the WorkWise-Kauai Branch Manager participated in this working group along with about 20 other business and community leaders, and also served on the Health and Wellness Industry Forum. The final draft of the Plan, which will be the basis for projects to be considered for Federal EDA grants, is being prepared.

WorkWise-Kauai One Stop Career Center Relocation

The Work-Wise Kauai One Stop Career Center will relocate to the County's Lihue Civic Center in April 2010. Renovation work is completed and the modular furniture installed; as soon as the technology infrastructure is in place, staff will be able to move into the new office.

Kaua'i Rural Development Project

KRDP has been a strong collaborator with WorkWise to ensure critical training programs are available by assisting with tuition and/or sponsoring needed training programs. Projects currently underway include:

- **Video streaming nurse aide training** – to provide access to the curriculum to a wider population, especially enabling those interested in the field but needing to maintain their current employment, the flexibility to fulfill both.
- **PMRF peer training**—support the developmental needs of staff at this critical work site
- **Police Explorer Program**—career awareness program for those ages 16 – 21 who have interest in law enforcement. The program helps prepare individuals for the entrance exam. Similar programs in California produce a 90% testing success rate.

4) KAUA'I COUNTY ACTUAL VS. GOALS FOR 2nd QTR PY 09 (compared to 1st QTR)
WIA Quarterly Report (ETA Form 9090) (01/11/2010 preliminary report)

CATEGORY	MEASURES	(Prior Qtr) PY 09 QTR 1	CUMUL 4 QTRS to 9/30/09	CURRENT QUARTER	CUMUL 4-QTRS to 12/31/09	GOALS
ADULT	Entered Employment Rate	66.7	71.4	25.0	57.1	65.0%
	Employment Retention Rate	100.0	89.7	100.0	91.7	74.0%
	Average Earnings	13,482	15,727	8,711	14,019	\$10,800
	Employment and Credential Rate	0.0	14.3	0.0	7.4	62.0%
DISLOCATED WORKER	Entered Employment Rate	100.0	57.1	NA	66.7	57.0%
	Employment Retention Rate	100.0	75.0	100.0	80.0	86.0%
	Average Earnings	17,047	15,259	17,047	16,903	\$5,996
	Employment and Credential Rate	0.0	28.6	NA	33.3	57.0%
OLDER YOUTH	Entered Employment Rate	100.0	100.0	NA	100.0	33.0%
	Employment Retention Rate	50.0	33.3	NA	33.3	60.0%
	Average Earnings	1,831*	584*	NA	584	\$2,000*
	Credential Rate	0.0	40.0	NA	66.7	38.0%
YOUNGER YOUTH	Skill Attainment Rate	73.3	86.1	33.3	80.0	71.0%
	Diploma or Equivalence Rate	76.9	61.9	0.0	52.4	44.0%
	Retention Rate	25.0	60.0	50.0	52.9	44.0%
CUSTOMER SATISFACTION	Participant		72%			72.0%
	Employer		82%			82.0%

1st Qtr PY 09

2nd Qtr PY 09 (Cumul)

met or exceeded goal	11	9
> 92% of goal	0	1
> 80% of goal	1	1
did not meet goal	3 (AD and DW credential) (OY Retention)	4 (AD and DW credential) (OY Retention & Ave Earnings)
N/A, no exiters	0	0

Credential attainment continues to be a challenge for the Adult and Dislocated Worker programs—still attributable to limited financial resources to cover the cost of tuition, as well as limited credential options available on Kauai. Staff will seek more opportunities to partner with other agencies that have resources to fund the tuition for specified participants.

The low Older Youth Retention did not change from the prior quarter because there were no exiters. We anticipate youth will begin to pursue more “traditional” jobs that can be tracked under WIA going forward since cash jobs, which were previously attracting them away from the program, are now no longer available during this severe downturn in the island’s economy. This performance goal was also lowered to a more realistic level for this population, as well.

*Performance goal for OLDER YOUTH Average Earnings was originally reported as <\$211> which is why after the 1st quarter this measure was documented as “exceeding the goal.” It was corrected to \$2,000 in December by WDC correspondence. Because Kaua‘i’ Older Youth population is so small [3 current and 6 cumulative for 4 quarters], the reported result is not statistically significant.

Calculation of OLDER YOUTH Average Earnings

Of those who are employed in the first qtr after the exit qtr and who are either not enrolled in post-secondary education or advanced training in the third qtr after the exit qtr or are employed in the third quarter after the exit quarter:

$$\frac{[\text{Earnings in 2}^{\text{nd}} + 3^{\text{rd}} \text{ qtrs after the exit qtr}] - [\text{Earnings in 2}^{\text{nd}} + 3^{\text{rd}} \text{ qtrs prior to participation qtr}]}{\# \text{ of participants who exit during the qtr}} \text{ (divided by)}$$

5) OTHER

Board Membership - Job Description/Code of Conduct

The Executive Committee sought greater accountability from board members and recently introduced a Job Description and companion Code of Conduct to members who subsequently approved use and support of both documents.

KWIB meetings are also being restructured to provide greater focus on member participation and business needs, including highlighting an industry at each meeting. Our first will be an overview of the agricultural industry by our new Board Chair, Steve Lupkes.