

EXHIBIT D

NILAND SANITARY DISTRICT PROPOSED COMPLIANCE PROJECT AND ENHANCED COMPLIANCE ACTIONS

The District (or NSD) serves a severely disadvantaged community that could greatly benefit from a comprehensive compliance program as it initiates a major capital improvement project. The District proposes to apply 50% of the Discretionary Penalty (\$125,000) towards Enhanced Compliance Actions and 100% of the Mandatory Minimum Penalty (\$222,000) towards a Compliance Project. In this vein, the District proposes to apply the aforementioned penalties for the following Enhancement Compliance Actions and Compliance Project.

ENHANCED COMPLIANCE ACTIONS

The District proposes to create a new employment position for the purpose of hiring someone for a two year term that is skilled and experienced in project management. This position is not necessary to achieve compliance with Colorado River Basin Water Board requirements. This position will increase the District's institutional capacity. This individual would assist the District with implementing and coordinating a number of tasks associated with the rehabilitation and expansion of the NSD Wastewater Treatment Plant and implementation of an independent compliance project under the aforementioned Mandatory Minimum Penalty. This individual would be charged with a number of responsibilities, inclusive of coordinating procurement related activities with the funding agencies, implementing the new compliance project, preparing project progress reports to the Board, delivering public awareness services, and coordinating staff and board member training.

Compliance Enhancement Program		Schedule		Budget
Task	Description	Start	Finish	Estimate
1.0	Project Manager/Coordinator Position	4/16/17	4/29/19	\$85,000.00
1.1	Complete Job Description	4/16/17	4/30/17	
1.2	Prepare and Publish Advertisement	5/03/17	5/28/17	
1.3	Interview and Select Project Manager	6/01/17	6/17/17	
1.4	Employment Term	7/03/17	6/29/19	
2.0	Training Implementation	7/03/17	6/30/18	\$25,000.00
2.1	Board Member Training	7/03/17	6/30/18	
2.2	Operator Training	7/03/17	6/30/18	
3.0	Community Awareness/Outreach Program	7/03/17	6/29/19	\$15,000.00
3.1	Hold Public Workshops	8/01/17	6/30/18	
3.2	Distribute Newsletters to Residents	8/01/17	6/29/19	
TOTAL COST				\$125,000.00

Goals and Objectives-Tasks 1.0-3.0

Task 1.0: It is expected that a project manager will enhance the District's ability to carry out work associated with expansion of the wastewater treatment plant and the work associated with the Compliance Project. Having a full time employee on site with the District's best interest at the core of his/her function will result in timely and quality performance.

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Task 2.0: Training will increase the knowledge of the participants which will, in turn, make the District more efficient. It is expected that such training will enable the District to be proactive in providing quality service to its customers rather than be reactive to problems after they arise.

Task 3.0: Education of the District's customers will enhance the public's knowledge about all the facets involved with providing service. In so doing, the public will assist the District in that problems and issues can be brought to the District's attention before they become serious and more costly to address.

COMPLIANCE PROJECT

The District has a very comprehensive capital improvement project earmarked with the assistance of United States Department of Agriculture and Border Environment Cooperation Commission and North American Development Bank that is 100% grant funded. The District proposes to complement these scheduled improvements with a compliance project that would rehabilitate and improve the Wastewater Treatment Plant's Laboratory. The Laboratory Building was originally built as part of the 1993 NSD WWTP Improvement Project. Various laboratory equipment components are in need of replacement. The compliance project would be initiated once the aforementioned Project Manager/Coordinator is hired by the District. The following table provides an overview of the proposed improvements and the anticipated completion schedule and the Engineer's Opinion of Probable Cost.

Compliance Project		Schedule		Budget
Task	Description	Start	Finish	Estimate
4.0	Laboratory Rehabilitation Work	7/03/17	12/28/18	\$160,000.00
4.1	Improvement Plans and Specifications	7/03/17	12/28/18	\$60,000.00
4.2	Install Emergency Shower (currently none)	7/03/17	12/28/18	\$45,000.00
4.3	Install Counter With Wash Sink (currently no	7/03/17	12/28/18	\$27,000.00
4.4	Install Storage Cabinets	7/03/17	12/28/18	\$20,000.00
4.5	Replace Existing Eye Wash Station	7/03/17	12/28/18	\$8000.00
5.0	Laboratory Equipment Replacement	7/03/17	12/28/18	\$62,000.00
5.1	Replace Laboratory Oven (\$2,000-\$5,000)	7/03/17	12/28/18	
5.2	Replace Laboratory Incubator (\$1 ,000-\$5,000)	7/03/17	12/28/18	
5.3	Laboratory Furnace (\$1,000-\$2,500)	7/03/17	12/28/18	
5.4	Vacuum Pump (\$1,000)	7/03/17	12/28/18	
5.5	Glass Desiccator (\$2,000-\$5,000)	7/03/17	12/28/18	
5.6	Mechanical Convention Oven (\$2,000-\$5,000)	7/03/17	12/28/18	
5.7	Sampling Equipment (\$2,000-\$5,000)	7/03/17	12/28/18	
5.8	Scale and Other Miscellaneous Equipment (\$33,500)	7/03/17	12/28/18	
TOTAL COST				\$222,000.00

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Goals and Objectives-Tasks 4.0-5.0

Task 4.0 and 5.0: It is anticipated that establishing an "in-house" ability to perform certain of the functions in the area of testing will reduce costs as well as provide more timely information with respect to plant operations. Reducing reliance on outside vendors for this work will also lessen the Districts exposure to risks associated with vendors such as maintenance of all of the necessary certifications.

The District proposes quarterly progress reports for the above referenced work to commence July 1, 2017.