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For Immediate Release: August 14, 2014
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NYS Environmental Facilities Corp. Approves \$13.2 Million Low-Cost Loan to Improve City of Cortland Wastewater Treatment Facility

Plant Upgrades Include Money-Saving Digester to Create Electricity from Whey Byproduct of Byrne Dairy's Greek Yogurt Production

The Board of Directors of the Environmental Facilities Corp. (EFC) today approved more than \$13.2 million in low-cost, short-term financing for improvements to the City of Cortland's Wastewater Treatment Facility, saving the city \$81,000 in interest costs.

The improvement projects include the installation of a waste-to-energy digester that will also save money as it disposes of acid whey, the waste product from yogurt production at Byrne Dairy's new facility in the Town of Cortlandville. The digester is expected to pay for itself by generating \$90,000 in electricity each year for use by the treatment facility.

EFC is the arm of Governor Andrew Cuomo's administration that provides low-cost financing to help local governments afford major improvements to wastewater and drinking water infrastructure. This year is the 25th anniversary of New York State's Clean Water State Revolving Fund (CWSRF), which has furnished more than \$17 billion in low-cost loans and grants to thousands of important water-pollution control projects throughout New York State. Today, the EFC board approved a total of \$28 million in CWSRF loans and grants for seven clean-water projects around the state.

Cortland Mayor Brian Tobin said, "Thanks to Governor Cuomo and the Environmental Facilities Corporation, the City of Cortland is able to take on a major overhaul of our wastewater treatment plant at a reasonable cost to the local consumer. In addition, we are able to increase the plant's abilities, which drew the attention of Byrne Dairy who established a major production plant within the county, creating many new jobs."

Cortland will receive a \$6,604,500 interest-free loan and a \$6,604,500 market-rate loan from EFC and the state's Clean Water loan fund, saving the city \$81,000 compared to the cost of borrowing on its own. Last year, EFC approved \$4.2 million in financing to fortify Cortlandville's sewage collection system, which is now serving the Byrne Dairy plant.

"Byrne Dairy has been extraordinarily pleased with the leadership shown by Governor Cuomo, EFC President Matthew Driscoll, and Mayor Tobin to assist us in finding creative solutions to dispose of our whey," said Carl Byrne, President of Byrne Dairy. "We're excited to be a part of the Cortland Community and to be able to produce authentically strained Greek yoghurt at our Byrne Hollow Farm facility," said Byrne.

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“The City of Cortland, Town of Cortlandville and Byrne Dairy worked together to develop a combined wastewater charge that is both competitive and covers the municipalities’ costs,” said EFC President and CEO Matthew Driscoll. “As EFC marks the 25th anniversary of New York’s Clean Water revolving loan fund, New York State is expanding its efforts to help local governments create reliable infrastructure for the collection and treatment wastewater and stormwater. Millions of New Yorkers have benefited from our management of the nation’s largest and most-active Clean Water fund, as upgraded wastewater systems have improved the environment, protected public health and provided new opportunities for economic development.”

With the digester, Cortland can convert Byrne’s waste whey into methane gas which, in turn, will create electricity to operate the plant. As long as Byrne delivers at least 15,000 gallons per day of whey, there will be no charge for the whey disposal.

Cortland is currently accepting up to 8,000 gallons per day and, with state authorization, disposing it through the plant’s existing digesters. Cortland is also exploring methods that will pretreat the Byrne waste, thus reducing Bryne’s disposal costs and increasing the city’s electrical generation capacity.

In addition to the digester, the EFC loan will finance improvements required to meet the revised Chesapeake Bay nutrient limits for phosphorus and nitrogen. The current activated sludge treatment process will be retrofitted with a more cost-effective sequencing batch reactor. The project also includes the installation of new digester mixers, a gravity sludge thickener, new bar screen, replacement of the plant-wide computer control system, and a 130-kW biogas-fired generator system with state-of-the-art gas conditioning.

“This is also an improvement for the output of the plant into the local watershed, which will benefit not only New Yorkers but also residents who live along the Chesapeake all the way down to its outlet,” said Mayor Tobin. “I applaud Governor Cuomo and EFC President Matthew Driscoll for having the vision to help fund projects that are good for local residents, businesses, and the environment. This is the type of leadership that our State and Country needs.”

Prior to this project, Cortland upgraded its treatment system last year with new equipment that drastically reduced its energy costs and air pollution discharges. The city saved money in the installation of this equipment thanks to the job skills and expertise of its staff at the wastewater treatment facility.

In addition to the financial savings, self-performance carries several other significant benefits,” said Bruce Adams, chief operator of the Cortland facility. “Operations staff has become intimately familiar with the equipment and they performed an exceptional installation.”

The City of Cortland considers its wastewater treatment facilities and staff to be an important economic development asset, Mayor Tobin said. Thanks to financing through the Cortland County IDA and the City of Cortland, pretreatment equipment was installed that allows Marietta Corporation, the City’s largest manufacturing employer, to discharge process wastewater through the treatment plant rather than truck it off-site. This has allowed the company to focus their capital on attracting a new contract with one of its largest clients, resulting in 43 new jobs.

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Cortland is also undertaking a water-recycling project with a local commercial laundry.

“We have completed a bench-scale test and are about to embark on a demonstration-scale project,” Adams said. “If successful, we will have developed an entirely new process for recycling laundry wastewater and will have given a competitive advantage to another local employer, which may lead to business growth and more jobs. We also anticipate operating the recycling equipment with the city’s wastewater staff under a labor contract.”

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