

## **CIF Project 930 - Armour Energy and Labour Savings Initiatives**

### **Background**

On September 2, 2015, the Township of Armour (Armour), received a grant of up to \$7,600, representing 36% of projected costs, to assist with operational changes that would reduce labour costs associated with plastics handling at their MRF. The project included exploration of alternatives and finalization of the project costs and scope by CIF and Armour staff.

### **Summary of Results**

CIF and Armour staff examined a number of options to optimize existing receiving and processing operations. At the time, residents were required to manually sort three streams of plastic (e.g., #1, #2-7, and film plastic) in a Quonset hut on site. Armour baled and marketed 2 grades of plastics (i.e., #1 PETE and #2-7). Film was also baled but markets were unavailable due to the extreme mix of films. It was concluded that the Township could reduce operating costs by redirecting unprocessed plastics to Progressive Waste Inc's operation in Bracebridge. In March 2016, Armour stopped sorting and baling and began shipping unsorted plastics to Progressive as part of a trial program. On November 28, 2016, Armour reported that the pilot had proven to be successful in achieving the projected cost savings and they had permanently adopted the new procedure. In addition, the installation of new signage, simplified receiving procedures and adoption of a clear bag policy for waste had also resulted in a 60% increase in the receipt of Blue Box materials at the site.

### **Financials**

The changes associated with this project resulted in a 12% reduction to the salaries & benefits of the 2017 budget despite the volume increase in Blue Box materials. This reduction translated into a payback on the project of under 6 months.

### **Learnings**

This project highlights the potential benefits of periodically reviewing operations. It further demonstrates the efficiencies that can be gained by consolidating high cost sorting and processing costs at larger facilities where economies of scale can be successfully deployed.