



COUNTY OF ERIE

MARK C. POLONCARZ

COUNTY EXECUTIVE

April 24, 2026

Erie County Legislature
92 Franklin Street – Fourth Floor
Buffalo, New York 14202

Re: Authorization to Add Funding to the Buffalo Convention Center Microgrid Contract

Dear Honorable Members:

The Department of Public Works is requesting authorization for the County Executive to add funding to the Buffalo Niagara Convention Center Microgrid Contract, a contract currently held with Palm Energy, LLC.

Should your Honorable Body require further information, I encourage you to contact Commissioner William E. Geary, Jr., of the Department of Public Works. Thank you for your consideration on this matter.

Sincerely yours,

Mark C. Poloncarz, Esq.
Erie County Executive

cc: William E. Geary, Jr., Commissioner of the Department of Public Works

MEMORANDUM

To: Honorable Members of the Erie County Legislature
From: Erie County Department of Public Works
Re: Authorization to Add Funding to the Buffalo Convention Center Microgrid Contract
Date: April 24, 2026

SUMMARY

On December 18, 2025, your Honorable Body approved resolution Comm. 23E-15 (2025) that authorized the Department of Public Works (DPW) to execute a contract between the County of Erie and Palm Energy, LLC (“Palm”) to provide a comprehensive design and construction of a microgrid to support the convention center’s operations. This resolution funded a portion (\$1,000,000) of the work to be conducted with the anticipation that the remaining funds would become available in 2026. While the work has begun on the funded portion, the remaining funding is required to ensure that the project is completed, and the operations of the convention center remain uninterrupted.

FISCAL IMPLICATIONS

The Microgrid project’s cost will be paid for by a combination of bonded and pay-as-you-go funds. This contract amendment is \$7,100,000.00, with the total cost of the project to not exceed \$8,100,000.

Funding for the contract amendment is available in Fund 410, Funds Center 122 in this resolution and from those allocated in Comm 23E-15.

A.20002	DPW (Buildings and Grounds) - Roof Replacement and Exterior Waterproofing (Countywide) – General	\$ 25,631.51
A.20007	Energy Conservation Implementation Initiatives (Countywide)	\$ 223,415.11
A.22002	DPW (Buildings and Grounds) – Roof Replacement and Exterior Waterproofing (Countywide)	\$ 41,866.22
A.22003	DPW (Buildings and Grounds) – Buffalo Niagara Convention Center (BNCC) Improvements	\$ 16,403.94
A.23001	DPW (Buildings and Grounds) – Roof Replacement and Exterior Waterproofing (Countywide)	\$ 649,450.42
A.23002	DPW (Buildings and Grounds) – Mechanical, Electrical, Plumbing, and Miscellaneous Improvements	\$ 8,875.13
A.23003	DPW (Buildings and Grounds) – Buffalo Niagara Convention Center (BNCC) Improvements	\$ 499,594.23
A.25002	Countywide Energy Conservation Implementation Initiatives	\$ 251,151.43
A.25051	Buffalo Convention Center Improvements	\$1,617,979.01
A.26053	Buffalo Convention Center Improvements	\$3,765,633.00
	Contract Amendment Not to Exceed	\$7,100,000.00

REASONS FOR RECOMMENDATION/

The EPC's costs associated with the facility improvements are paid for by energy savings over a period of time. An upfront investment is needed to fund the projects that will result in these long-term energy savings eventually offsetting the cost of the project. The project is being broken into two phases – the first phase will perform all the work necessary to get ready for the microgrid while the second phase will fund the construction of the microgrid. The amendment for the second phase is not to exceed \$7,100,000.00.

BACKGROUND INFORMATION

The Buffalo Convention Center is a central hub of the city that hosts numerous conventions and catered events throughout the year. It also has the potential to serve as a refuge during power outages or extreme storms. Equipping the building with a microgrid would provide the building with whole-building, uninterrupted power allowing it to serve the public in this capacity. It would also allow the building to provide relief to the grid in times of extreme stress; these services would receive compensation which allows the project to pay for itself.

This resolution would provide funding to complete the construction of the microgrid system. It would also allow for the upgrade of the building's electrical system (which is original to the construction of the building in 1976) and the installation of a new roof on the lower deck (which has exceeded its 20-year lifespan). Both are necessary in order to accept the microgrid equipment.

CONSEQUENCES OF NEGATIVE ACTION

Managing, operating and updating ageing infrastructure will continue to be addressed through the traditional capital improvement financing model which limits the amount of investment we are able to make and delays much needed projects. Not installing this equipment also prevents this building from performing as a 24-hour facility regardless of a power outage and would not be able to realize the energy incentives through demand response savings as well as utility incentives by installing this equipment.

STEPS FOLLOWING APPROVAL

Upon the Erie County Legislature's approval, funding will be amended to the Buffalo Convention Center Microgrid Contract. This will allow the construction to begin upon design completion.

COMPTROLLER'S OFFICE REVIEW

The proposed legislation has been reviewed by the Office of the Comptroller and is related to authorized capital projects for which there are sufficient appropriations for the action proposed.

 3/20/26

Timothy C. Callan
Deputy Comptroller
Comptroller's Office

Microgrid Energy Performance Contract

- A.22003 DPW (Buildings and Grounds) – Buffalo Niagara Convention Center (BNCC) Improvements
- A.23003 DPW (Buildings and Grounds) – Buffalo Niagara Convention Center (BNCC) Improvements
- A.25051 Buffalo Convention Center Improvements
- A.26053 Buffalo Convention Center Improvements
- A.20002 DPW (Buildings and Grounds) - Roof Replacement and Exterior Waterproofing (Countywide) – General
- A.22002 DPW (Buildings and Grounds) – Roof Replacement and Exterior Waterproofing (Countywide)
- A.23001 DPW (Buildings and Grounds) – Roof Replacement and Exterior Waterproofing (Countywide)
- A.20007 Energy Conservation Implementation Initiatives (Countywide)
- A.25002 Countywide Energy Conservation Implementation Initiatives
- A.23002 DPW (Buildings and Grounds) – Mechanical, Electrical, Plumbing, and Miscellaneous Improvements

A RESOLUTION SUBMITTED BY:
DEPARTMENT OF PUBLIC WORKS

Re: Authorization to Add Funding to the Buffalo Convention Center Microgrid Contract

WHEREAS, the County of Erie wishes to improve building resilience to natural disasters and electrical grid outages; and

WHEREAS, participation in microgrid and distributed energy programs aligns with Erie County's sustainability and emergency preparedness goals; and

WHEREAS, in 2025 the County authorized and partially funded a microgrid and resiliency solution with Palm Energy, LLC under COMM. 23E-15 (2025), December 18, 2025, and the County would like to add the additional funding to the contract in an amount not to exceed \$7,100,000.00; and

WHEREAS, this project is funded in two phases in order to begin the design and long-lead item procurement; and

WHEREAS, any utility incentives, tax rebates or grid-services payments will be used to both fund the EPC as well as reduce the amount of capital money needed to fund the project and provide savings for the County.

NOW, THEREFORE, BE IT

RESOLVED, that the Erie County Legislature hereby authorizes the County Executive or Deputy County Executive to amend the existing contract with Palm Energy, LLC for the Buffalo Convention Center Microgrid Project in the amount of \$7,100,000; and be it further

RESOLVED, that authorization is hereby given for the sum of \$500,000.00 to be allocated to a Construction Contingency Fund with authorization for the County Executive to approve change orders in an amount not to exceed the Contingency Fund; and be it further

RESOLVED, that change order deductions will result in these funds being returned to the Construction Contingency Fund; and be it further

RESOLVED, that authorization is hereby given for the County to accept all utility incentive rebates, state or federal tax incentive refunds, and grid-service payments for the installation and operation of the microgrid system; and be it further

RESOLVED, that authorization is hereby given for said federal, state and utility incentives and grid-payment resulting from the Rath Microgrid System Project be recorded and expended in Capital Project (Fund 410, Funds Center 122) A.25064 – Clean Energy Communities Program; and be it further

and be it further

RESOLVED, that sufficient funding exists to cover the cost of this contract amendment within the following Division of Building and Grounds Capital Projects (Fund 410, Funds Center 122):

A.20002	DPW (Buildings and Grounds) - Roof Replacement and Exterior Waterproofing (Countywide) – General	\$ 25,631.51
A.20007	Energy Conservation Implementation Initiatives (Countywide)	\$ 223,415.11
A.22002	DPW (Buildings and Grounds) – Roof Replacement and Exterior Waterproofing (Countywide)	\$ 41,866.22
A.22003	DPW (Buildings and Grounds) – Buffalo Niagara Convention Center (BNCC) Improvements	\$ 16,403.94
A.23001	DPW (Buildings and Grounds) – Roof Replacement and Exterior Waterproofing (Countywide)	\$ 649,450.42
A.23002	DPW (Buildings and Grounds) – Mechanical, Electrical, Plumbing, and Miscellaneous Improvements	\$ 8,875.13
A.23003	DPW (Buildings and Grounds) – Buffalo Niagara Convention Center (BNCC) Improvements	\$ 499,594.23
A.25002	Countywide Energy Conservation Implementation Initiatives	\$ 251,151.43
A.25051	Buffalo Convention Center Improvements	\$1,617,979.01
A.26053	Buffalo Convention Center Improvements	\$3,765,633.00
	Contract Amendment Not to Exceed	\$7,100,000.00

and be it further

RESOLVED, that authorization is hereby given for the Director of Budget and Management to make all necessary budgetary entries and technical adjustments to effectuate the re-appropriation of funds and recognition of future federal, state and utility incentives; and be it further

RESOLVED, that the Clerk of the Legislature forward three (3) certified copies of this Resolution to the Department of Public Works, and one (1) copy each to the County Executive's Office, Comptroller's Office, Department of Environment and Planning and Division of Budget and Management.

TO: TIMOTHY CALLAN, COMPTROLLER'S OFFICE

PROPOSED RESOLUTIONS REQUIRING RULE 55

CONTRACT APPROVAL CHECKLIST
CONFIRMATION OF AVAILABILITY OF FUNDS IN CAPITAL PROJECTS

REQUESTING DEPARTMENT

COMPLETE ITEMS 1 THROUGH 5

1. CONTRACTOR'S NAME

Palm Energy, LLC

2. AMOUNT OF CONTRACT

Construction Contingency	\$500,000.00
<u>Palm Energy, LLC.</u>	<u>\$ 7,600,000.00</u>
Total	<u>\$8,100,000.00</u>

3. PROJECT NUMBER

A.26053 A.20002
A.25051 A.25002
A.23003 A.20007
A.22003 A.23002
A.23001
A.22002

4. PROJECT TITLE

Buffalo Convention Center Microgrid Contract

5. DEPARTMENT CONTACT

Funding questions: Kristofer Straus, PE at x7294
Letter pickup: Christy Weber at x8301

COMPTROLLER'S OFFICE

COMPLETE ITEMS 6 AND 7

6. AVAILABILITY OF FUNDS

\$ 9,554,139.51

7. PERFORMED BY



Date Sent to Comptroller's Office:

03/20/2026

[55 compt_10]