



Memorandum

Date: 6/2/2026
Meeting of: City Council

File No. AM No. 26-083
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Public Works	Aaron Bert	425-556-2786
Parks	Loreen Hamilton	425-556-2336
Finance	Kelley Cochran	425-556-2748

DEPARTMENT STAFF:

Public Works	Amy Kim	Capital Project Manager
Public Works	Eric Dawson	Engineering Supervisor
Public Works	Steve Gibbs	Capital Projects Division Manager
Public Works	Brandon Buehler	Acting Deputy Director
Finance	David Amble	Real Property Manager

TITLE:

Approval of Authorization for Acquisition of the Heidelberg Materials Property located at 18816 NE Union Hill Rd, Redmond, WA, for the Maintenance and Operations Center (MOC) - Campus Redevelopment Project from HM Pacific Northwest, Inc.

OVERVIEW STATEMENT:

Public Works is requesting approval to complete the purchase of the Heidelberg Materials Property, authorizing the acquisition at a total cost of \$38,521,707.00. An earnest money payment of \$1,000,000.00 has already been made and will be credited at closing.

Additional Background Information/Description of Proposal Attached

REQUESTED ACTION:

Receive Information **Provide Direction** **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
Capital Investment Program
Community Strategic Plan - Objective #1: Invest in infrastructure preservation and replacement across the City to maintain the current level of service, the reliability of capital assets, and provide timely and cost-effective

replacement.
Maintenance and Operations Center Master Plan

- **Required:**
N/A
- **Council Request:**
N/A
- **Other Key Facts:**
N/A

OUTCOMES:

Approving this property acquisition improves site circulation and overall layout while maintaining desired program elements, resulting in a cost-neutral to net-favorable outcome compared to building on the existing MOC site. The acquisition also remains financially advantageous, with significantly avoided costs from eliminating the structured garage and minimizing operational disruption. Consolidating operations at this site strengthens efficiency and eliminates dispersed functions, supporting uninterrupted service to the community. This effort moves the City closer to a modern, efficient operations center that supports future growth and aligns with the 2050 Comprehensive Plan.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
Throughout the Validation Phase, the project team maintained structured internal communication with staff, leadership, and the City Council, including coordinated monthly or bi-monthly updates from Parks and Public Works MOC Managers and regular Council briefings through CIP Quarterly Updates and scheduled check-ins. This approach aligned with the Council’s request for consistent engagement and feedback.

With approval of the property purchase, City staff will update the communication plan in coordination with the City’s Communications team to prepare public-facing information, supported by the recently launched CIP project webpage.
- **Outreach Methods and Results:**
A CIP project webpage was recently launched by the Communications Team. Until now, outreach has focused on internal updates through departmental briefings, leadership communication, Council sessions, and CIP reporting. With approval of the property purchase, staff will coordinate with Communications to expand public-facing information and make updates available through the CIP webpage and future outreach efforts.
- **Feedback Summary:**
N/A

BUDGET IMPACT:

Total Cost:
\$38,521,707.00

Approved in current biennial budget: Yes No N/A

Budget Offer Number:

CIP

Budget Priority:

Vibrant and Connected

Other budget impacts or additional costs: Yes No N/A

If yes, explain:

N/A

Funding source(s):

- General Fund
- Real Estate Excise Tax
- Stormwater CIP
- Water CIP
- Wastewater CIP
- Bond Issuance
- Impact Fees
- Solid Waste Fund
- Real Property Fund

Budget/Funding Constraints:

N/A

Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
3/25/2025	Committee of the Whole - Parks and Environmental Sustainability	Provide Direction
4/1/2025	Business Meeting	Approve
7/15/2025	Business Meeting	Receive Information
9/2/2025	Committee of the Whole - Planning and Public Works	Provide Direction
9/16/2025	Business Meeting	Approve
1/6/2026	Committee of the Whole - Planning and Public Works	Provide Direction
1/27/2026	Study Session	Receive Information
3/3/2026	Committee of the Whole - Planning and Public Works	Receive Information
3/24/2026	Study Session	Receive Information
4/7/2026	Committee of the Whole - Planning and Public Works	Receive Information
4/21/2026	Business Meeting	Receive Information
5/5/2026	Business Meeting	Approve
5/19/2026	Business Meeting	Approve

5/26/2026	Committee of the Whole - Parks and Environmental Sustainability	Provide Direction
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Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:

The PSA identifies June 23, 2026, as the required closing date. Timely Council approval is necessary to finalize closing preparation and meet this contractual schedule.

ANTICIPATED RESULT IF NOT APPROVED:

If the acquisition is not approved or is significantly delayed, the City may be unable to meet the PSA closing deadline of June 23, 2026. Missing this deadline could result in the PSA expiring and jeopardizing the City's ability to purchase the property, including the potential loss of the non-refundable \$1,000,000 earnest money deposit.

ATTACHMENTS:

- Attachment A: Project Information Sheet
- Attachment B: Additional Project Information
- Attachment C: Purchase and Sale Agreement