


COUNTY OF MILWAUKEE
Inter-Office Communication

DATE: May 20, 2013

TO: Supervisor Marina Dimitrijevic, Chairwoman
Milwaukee County Board of Supervisors

FROM: Julie Esch, Director of Operations 
Department of Administrative Services

SUBJECT: Purchase of 10920 W. Lapham Street, West Allis, for the Relocation of Facilities West

History

At its April 25, 2013 meeting, the Milwaukee County Board of Supervisors approved a Relocation Order for the Warehouse Building located at 10310 and 10310-A West Watertown Plank Road. The warehouse building is owned by the Milwaukee Regional Medical Center (MRMC) and the land is owned by Milwaukee County. Milwaukee County leases space from MRMC for its Facilities West functions on the County Grounds.

In order for Fleet operations to be fully operable after reconstruction of Swan Boulevard and U.S. 45, the warehouse facility needs to be removed. Milwaukee County worked with MRMC to find a new warehouse facility in which to co-locate existing functions. After visiting several potential sites for relocation, MRMC indicated that it would be pursuing options on its own. Therefore, it became necessary for Milwaukee County to secure a new facility for its own purposes.

Background

To that end, Milwaukee County's Department of Administrative Services (DAS) engaged CBRE, Inc. as its Buyer's Representative. CBRE presented DAS with approximately 12 potential warehouse/industrial sites to relocate Facilities West. The Facilities Maintenance Manager narrowed the options to three sites. In conjunction with Facilities West staff, the Facilities Maintenance Manager evaluated the three remaining sites and selected a warehouse located at 10920 W. Lapham Street in West Allis.

The Lapham property is in excess of 50,000 square feet, which provides more than adequate space for the County. DAS – Facilities Management staff from the Architectural, Engineering and Environmental Services Section is performing

environmental and structural due diligence on the building. Structurally, the building is sound and is suitable for Facilities West's needs. The County is in the process requesting a Phase II environmental investigation of the site from the current owner. The site had been contaminated with chlorinated solvents by previous occupants and reported to the Wisconsin Department of Natural Resources (WDNR) in 2006. The current owner worked with the WDNR to perform necessary environmental remediation to meet WDNR and federal standards. The Phase II investigation will provide baseline data for Milwaukee County as the future owner and verify existing environmental conditions.

The Lapham property was listed for \$2.3 million; however, the owner has agreed to sell it to Milwaukee County for \$2 million. DAS has executed an Option to Purchase with the Seller for the purpose of furthering environmental due diligence on the property and securing the property while DAS seeks approval from the County Board and County Executive to purchase the property.

Proceeds from the Fleet Agreement already approved by the County Board and Wisconsin Department of Transportation, will be used to purchase the Lapham property. The Fleet Agreement also includes funding for Facilities West moving costs and costs associated with adaptation of the new building to accommodate Facilities West's needs.

Recommendation

The Department of Administrative Services respectfully requests authorization to purchase the warehouse facility located at 10920 W. Lapham Street in West Allis for the purpose of accommodating Facilities West functions currently located in the Milwaukee Regional Medical Center warehouse on the County Grounds.