



City of Grand Island

Tuesday, July 24, 2012

Council Session

Item I6

#2012-195 – Approving Request of Hall County Historical Society, Inc. for Release of Funds from the Stolley Fund held by the Nebraska Historical Society Foundation

Staff Contact: Craig Lewis

Council Agenda Memo

From: Craig Lewis, Building Department Director

Meeting: July 24, 2012

Subject: Request of Hall County Historical Society, INC. for Release of Funds from the Stolley Fund held by the Nebraska Historical Society Foundation

Item #'s: I-6

Presenter(s): Craig Lewis, Building Department Director

Background

The Hall County Historical Society, the Nebraska State Historical Society Foundation, and Grace Carmody on June 26, 2007 entered into an agreement for the creation of a Stolley House Committee and a Stolley Fund to hold dollars received from the Richard Palmer estate. That agreement identifies how the dollars are to be invested, distributed, and a list of fund uses was attached to enumerate the proposed expenditures and reimbursements. Typically an identified use or expenditure is acquired, paid for by the Hall County Historical Society from an initial \$50,000 distribution and then submitted for reimbursement to me, I then review the bills and forward them onto the Foundation for their approval and distribution of the available dollars.

Discussion

This request is to utilize \$15,000 from the Stolley Fund to help pay for expenses incurred in the construction of a memorial located in Stolley Park. As this request is for a use not specifically listed on the attachment of the agreement approval of the City of Grand Island is needed before the request is forwarded onto the Foundation.

Funds available this year are approximately \$30,000. Prior request for reimbursements submitted this year were \$13,850.24 and with this request of \$15,000 the fund will be substantially depleted for this year.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand.

The Council may:

1. Approve the request for use of the funds for the memorial.
2. Disapprove or /Deny the Request.
3. Modify the Approval to meet the wishes of the Council.
4. Table the issue.

Recommendation

City Staff recommends approval of the funds to pay for the construction of the memorial as no other immediate use of the funds is identified.

Sample Motion

Move to approve the request for reimbursement of \$15,000 from the Nebraska State Historical Foundation Stolley Fund.



HALL COUNTY HISTORICAL SOCIETY, INC.

P.O. BOX 1683
GRAND ISLAND, NEBRASKA 68802 - 1683
FOUNDED 1922 <http://www.hallchs.com>

July 17, 2012

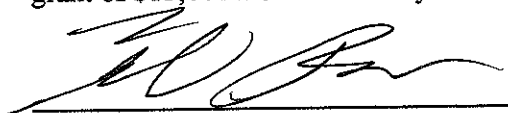
The Hall County Historical Society is in the process of constructing a memorial in Stolley Park on the Stolley Campus. This memorial is to commemorate the pioneers and those that followed to create the city of Grand Island. The following paragraph will be placed on a plaque at the memorial:

This memorial is in honor of the early pioneers who fought for and settled this land. The foresight of individuals such as William Stolley and Fred Hedde and many more left a legacy for our future.

Many businesses and individuals have donated funds for the construction of the memorial (see attached list). Due to unforeseen changes in construction, additional funds are needed to complete this project (see attached list).

According to the Stolley House Agreement dated June 26, 2007, by and between Grace Carmody, the Nebraska Historical Society Foundation (Foundation), and the Hall County Historical Society (HCHS) we would like to request a grant of \$15,000 for this memorial. Item #17 of the Stolley House Fund Uses, states: "And any other uses relating to the Stolley Property as may be agreed to by the HCHS, the City of Grand Island, and the Foundation."

The Hall County Historical Society Board of Directors met July 17th, 2012 and passed a motion to request a grant of \$15,000 from the Stolley House-Hall County Historical Society Fund (Richard Palmer Fund).

 7-18-2012

Hall County Historical Society
Fred Roeser President

Date

City of Grand Island Representative

Date

Nebraska State Historical Society Foundation Representative

Date

The Hall County Historical Society promotes the research education and preservation of Hall County's heritage and history.

STOLLEY HOUSE AGREEMENT

This Stolley House Agreement (Agreement) is entered into this 26th day of June, 2007, by and between Grace Carmody, the Nebraska State Historical Society Foundation (Foundation), and the Hall County Historical Society (HCHS).

WHEREAS Richard Stolley Palmer (Palmer) died on November 9, 2003, with his entire estate being left via the First Amendment To The Trust Indenture Creating The Richard S. Palmer Trust (the Trust); and

WHEREAS the residue of the Trust was left to the HCHS; and

WHEREAS Carmody and the Foundation allege that the residual beneficiary designation of the HCHS was a mistake and should have been the Foundation; and

WHEREAS Carmody and the Foundation have filed suit against the HCHS in the Hall County District Court, which suit bears Case No. CI 05-97 in said court (the Suit);

WHEREAS the HCHS has received a preliminary distribution of \$50,000 from the Trust, but the balance of the residue is being held by the trustee of the Trust, pending resolution of the Suit; and

WHEREAS the parties to said suit have agreed on a settlement, the terms of which are set forth herein.

IT IS THEREFORE AGREED BY THE PARTIES:

1. The Suit will be dismissed "with prejudice" by Carmody and the Foundation.
2. The trustee of the Trust is hereby instructed by the parties to this Agreement to distribute the balance of the residue of the Trust to the Foundation, which agrees to hold said funds pursuant to the terms of this Agreement.
3. The parties agree to the creation of the Stolley House Committee (Committee), which will be created by the HCHS and Craig Lewis, Building Department Director of the City of Grand Island, or such other representative that may be appointed by the City of Grand Island.
4. The Foundation agrees to hold the funds received from the Trust in a fund named the Stolley House-Hall County Historical Society Fund (the Stolley Fund).

5. The Foundation presently charges an administrative fee of 0.5% (and has recently decided to increase this fee to 0.75%) of the principal balance of its funds each year; however, as part of the consideration for this Agreement, the Foundation agrees to charge a fee for the Stolley Fund of 0.25% of the principal each year for the first five years, with the charge thereafter being the lesser of (1) the Foundation's customary charge for fund management or (2) 0.5%.

6. The parties agree that distributions from the Stolley Fund will be made on a "total return" basis, with the maximum payout being calculated in the same way that the Foundation uses for its other funds; (presently, that payout is 3.75% of the average balance of the particular fund for the lesser of (1) the previous twelve quarters, or (2) all quarters of the fund's existence).

7. The Foundation agrees to invest the Stolley Fund in the same way as all of its other "total return" funds; presently, the normal "mix" for such funds is 65% equities and 35% fixed funds.

8. The Committee may make quarterly requests for funds from the Stolley Fund for any purpose set forth in the attached Stolley House Fund Uses list; the Foundation agrees to honor all such requests for funds from the Committee on a timely basis. If an emergency need for funds arises between quarterly payout dates, the Foundation agrees to review and honor requests for fund from the Committee.

9. The parties agree that the HCHS may keep the initial distribution of \$50,000 that has already been received from the Trust, but the HCHS agrees to use such funds only for purposes set forth on the attached Stolley House Fund Uses list and to account at least quarterly to the City of Grand Island as expenditures from this \$50,000 fund.

10. If the Stolley House and its environs, including the Haans house, the school house, the summer kitchen building, and the garden, are destroyed and the Stolley House area is abandoned by the City of Grand Island, then in that event the remaining Stolley Fund will be distributed to the HCHS, with the restriction that it may only be used for historical projects in Hall County.

11. If the HCHS should request representation on the Foundation's Board of Directors, then the HCHS will forward three names to the Foundation from which the Foundation will select the person who will become a member of the Foundation's Board with full voting rights and privileges.

GRACE CARMODY

Grace Carmody
Grace Carmody

NEBRASKA STATE HISTORICAL
SOCIETY FOUNDATION

BY: Steven E. Guenzel
Steven E. Guenzel, President

HALL COUNTY HISTORICAL
SOCIETY

BY: Fred Roeser
Fred Roeser, President

Stolley House Fund Uses

1. Utility bills, including but not limited to electricity, gas, telephone.
2. Remodel, restore, repair, and maintain the entire Stolley "campus" area, and the facilitation of such work. The "campus" area shall be limited to the Stolley house, summer kitchen, school house, Haans House, and the grounds surrounding such buildings.
3. Insurance and loss deductibles.
4. Purchase of period appropriate window coverings, floor coverings, and light fixtures.
5. Purchase of period appropriate personal property, such as chairs, tables, and other furnishings.
6. Install and/or replace walkways to the house from the parking lots.
7. Shutters for the house.
8. Yard landscaping, with period shrubs and flowers, of the Stolley Campus area, including but not limited to restoration and maintenance of the Stolley House flower garden.
9. Security service, fire alarms, etc.
10. Expenses for staffing an office in the house, including the hiring of a permanent, but part-time, assistant to (1) look after the house; (2) provide tours and/or educational programs, and/or assist in event planning for the Stolley property; (3) prepare proposals for maintenance.
11. Signage, directional and other.
12. Termite inspections and treatments (if needed).
13. Annual furnace and air-conditioning checks.
14. Housekeeping.

15. Expenses and attorney's fees for Mr. Janulewicz for defending and settling the suit, and any expenses and fees that may be incurred by the HCHS to enforce this Agreement.
16. In general, to pay for specific projects including the purchase of artifacts, support of educational programs, care of historic sites and landmarks in and around Stolley Park, and preparation of exhibits.
17. And any other uses relating to the Stolley Property as may be agreed to by the HCHS, the City of Grand Island, and the Foundation.

RESOLUTION 2012-195

WHEREAS, the Hall County Historical Society has constructed a memorial in Stolley Park; and

WHEREAS, The Nebraska State Historical Society Foundation has an established Stolley Fund provided by the Richard Palmer Estate; and

WHEREAS, The City of Grand Island is listed as a party to the agreement entered into on June 26, 2007, and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Mayor be authorized to sign a request for reimbursement from the Foundation Stolley Fund in the amount of \$15,000 to contribute toward the construction of such Hall County Historical Society Memorial located in Stolley Park.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, July 24, 2012.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

| | |
|---------------------|-----------------|
| Approved as to Form | ☒ _____ |
| July 23, 2012 | ☒ City Attorney |