

Town of Wilmington
Liability Insurance Requirements Policy

A contractor is a person or group of persons who perform some type of service for another entity and is/are not employed by that entity. In any situation in which a contractor performs work for the town or on town premises there is some degree of town liability exposure.

An additional insured is a person or entity, other than the named insured, who is also insured for liability under the insurance policy. If a claim ensues due to a contractor's negligence and they do not list the Town as an additional insured, the Town may be sued and be required to pay the claim. The Town could then sue the contractor to get reimbursed for the claim, but this process can be very time-consuming. That is why the additional insured wording is recommended when contractors are doing work for the town or on town premises.

It is the policy of the Town of Wilmington that all persons or groups whether working for the town or utilizing town-owned or town-leased property, must provide proof of liability insurance **of \$1,000,000 per incident**. Major multi-million dollar projects shall require higher limits. This policy pertains to not only contractors directly performing work for the town, but for contractors performing work on town property such as for driveway permits and permits to work in the town right-of-way.

It is the policy of the Town of Wilmington that contractors who are hired by the Town to perform work for the town shall provide proof that their insurance policy identifies that the Town of Wilmington has been named as an additional insured.

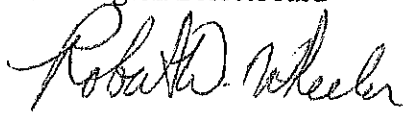
In situations where it may not be clear as to whether a person(s) meets the definitions above, and/or when it is in the best interest of the town, the Town Manager shall make the final decision whether a person(s) will be required to provide proof of liability insurance **of \$1,000,000 per incident**. The Town Manager shall consider reducing the coverage amount requirement when the contractor, group or individual is a small business, has a long-standing solid reputation and the amount of work and/or risks associated with the work or event are minimal.

When it is in the best interest of the town the Town Manager may waive the "additional insured" requirement specified above, but in no case shall a contractor perform work for the town or on town property without providing proof of liability insurance as identified above.

If/when the Town Insurer recommends that the per incident liability amount be adjusted by 10% or less then the Town Manager is authorized to accordingly adjust the amount or over 10% to bring such a request back to the Selectboard for a decision.

Adopted this nineteenth day of September 2007.

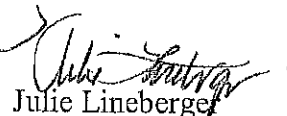
Wilmington Selectboard



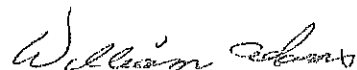
Robert D. Wheeler, Chair



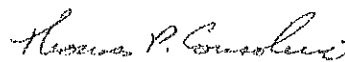
Margaret L. Streeter



Julie Lineberger



William B. Adams



Thomas P. Consolino