

# TOWN OF LYMAN

## Independent Contractor/Subcontractor Requirements Policy

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**Adopted:** October 3<sup>rd</sup>, 2022

**Amended:**

***PURPOSE:*** *The purpose of this policy is to establish and provide reasonable requirements for Department Heads when using outside Independent Contractor/Subcontractors and to limit the financial liability to the Town of Lyman.*

All Department Heads are responsible to ensure that the Treasurer has the following paperwork in hand **PRIOR** to an Independent Contractor/Subcontractor performing any duties for the Town of Lyman:

- **Worker's Compensation Insurance** each Contractor/Subcontractor will carry Worker's Compensation Insurance as defined under State of Maine Worker's Compensation Law, 39-A M.R.S.A. Contractor/Subcontractor's will carry employers Liability Limits of \$500,000 Each Accident/\$500,000 Policy Limit – Disease/\$500,000 Each Employee – Disease. If the Contractor/Subcontractor is not required to carry Worker's Compensation according to the State of Maine Worker's Compensation Law, 39-A M.R.S.A., then the Contractor/Subcontractor must provide the Town of Lyman with an approved Independent Contractor/Subcontractor's Status from the State of Maine Worker's Compensation Board.
- **Public Liability Insurance (or Commercial General Liability)** Covering the legal liability (including liability assumed contractually) of the Contractor/Subcontractor, covering claims for bodily injury and property damage arising out of the services to be performed by the Contractor/Subcontractor, or those working on Contractor/Subcontractor's behalf, in an amount not less than \$1,000,000 per one occurrence, \$2,000,000 general aggregate (subject to a per project general aggregate provision), \$1,000,000 Products/Completed Operations aggregate limit OR in the event of any amendment to the Maine Torts Claims Act, 14 M.R.S.A. §8101-8118, that increases the limitation of liability to the Town of Lyman under such Act, Contractor/Subcontractor shall increase its amount of coverage so that it is not less than the limitation of the liability of the Town of Lyman established under the Act, to protect the Contractor/Subcontractor and the Town of Lyman from claims and damages that may arise while the Contractor/Subcontractor is performing work for the Town of Lyman, whether such operations be by Contractor/Subcontractor or by anyone directly or indirectly employed by it. All Certificate of Liability Insurance shall name the Town of Lyman, 11 So. Waterboro Rd., Lyman, ME 04002 as additional insured. A Waiver of Subrogation in favor of Town of Lyman must also be included.

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- **Automobile Liability Insurance (if applicable)** in the amount of not less than One Million Dollars (\$1,000,000), combined single limit, OR in the event of any amendment to the Maine Torts Claims Act, 14 M.R.S.A. §8101-8118, that increases the limitation of liability to the Town of Lyman under such Act, Contractor/Subcontractor shall increase its amount of coverage so that it is not less than the limitation of the liability of the Town of Lyman established under the Act, to protect the Contractor/Subcontractor and the Town of Lyman from claims and damages that may arise while the Contractor/Subcontractor is performing work for the Town of Lyman, whether such operations be by Contractor/Subcontractor or by anyone directly or indirectly employed by it. All Certificate of Liability Insurance forms shall name the Town of Lyman, 11 So. Waterboro Rd., Lyman, ME 04002 as additional insured.
  
- **Town of Lyman Contractor/Subcontractor Agreement** is to be signed by the owner or a representative of the company that has the authority to bind the Independent Contractor/Subcontractor to such an agreement. The Board of Selectmen may require revisions to its basic contractor / subcontractor agreement in its sole discretion. The basic form prepared herewith shall not be used for project involving construction, hazardous substances, or professional service.
  
- **An Internal Revenue Service, Form W-9, Request for Taxpayer Identification Number and Certification** must be filled out and submitted prior to payment unless already on file with the Town of Lyman.
  
- Any request to waive a portion(s) of this policy must be presented to the Board of Selectmen at a regularly scheduled meeting.
  
- All contract or subcontracts require advance approval by the Board of Selectmen. The foregoing provisions are minimum requirements. The Board of Selectmen may impose additional or increased requirements in its discretion based on the nature of the work to be performed and may involve legal counsel or the Town's insurer in the review. Contracts involving construction, hazardous substances, or professional services (e.g. architects or engineers) shall require additional insurance coverage to be discussed with the Board of Selectmen.

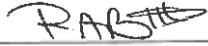
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**Adopted: October 3, 2022**

**Effective: Immediately**



Ralph "Rusty" Blackington - Chair

Thomas Hatch – Vice Chair



John Tibbetts



David Alves



Jessica Picard

A Majority of the Board of Selectpersons

Lyman, Maine

