

Contractor's Bond and Liability Insurance Requirement

Contractor's Bond/Irrevocable Letter of Credit:

Section 64-19-8 of the WV Water Well Regulations, stipulates water well and Pump Installation Contractors must hold a current contractor's bond or irrevocable letter of credit in the amount of **\$5,000** payable to the Commissioner of West Virginia Bureau for Public Health.

Lack of a current contractor's bond will be deemed sufficient grounds for denial for a water well permit or pump installation permit. An irrevocable letter of credit issued by a bank chartered by the State of West Virginia or a member bank of the Federal Reserve System in the amount of \$5,000 will be accepted in place of a bond.

If a water well driller or pump installer leaves your company, you need to notify your bonding and insurance companies AND our office of this change. You may be liable for work done by former employees if their termination or change in employment is not reported.

Liability Insurance:

Section 64-19-8 also directs that each water well and pump installer contractor must carry contractor general liability insurance in the amounts of:

Bodily injury.....\$100,000 each person / \$300,000 each occurrence
Property damage.....\$50,000 each occurrence / \$50,000 each aggregate

All certified water well drillers and pump installers employed by the contractor will be included under the protection of the contractor's bond and liability insurance coverage.