The irrigation bond is required because if you break the law in the process of installing an irrigation system, and if your actions cause a loss for your clients, the state of NC wants to know that you have some surety that these problems you have caused will be solved. To that end, they have asked for this bond. The bond has a limit of \$10,000 and it allows direct action against the bond company for losses caused as a result of your violation of the law.