

4

SYSTEM SUPPLIES

4.1 WATER SOURCES

Urban Water Management Planning Act Requirement:

10631 (b) Identify and quantify, to the extent practicable, the existing and planned sources of water available to the supplier over the same five-year increments described in subdivision (a).

The City of Morgan Hill obtains all water supplies from groundwater. Groundwater is pumped from the Llagas Subbasin and Coyote Valley subarea of the Santa Clara Subbasin. The City of Morgan Hill is independent in the acquisition of water and no connections to other cities or water districts currently exist.

The City of Morgan Hill is a member agency of the Santa Clara Valley Water District (SCVWD). SCVWD's primary purpose is to govern the water resources of Santa Clara County; it manages 10 local surface reservoirs, associated creeks, recharge facilities, the country's groundwater basins, and three water treatment plants. SCVWD works closely with its member agencies to manage groundwater resources, identify additional sources of water, and implement and encourage water conservation measures.

The City of Morgan Hill currently has seventeen wells drawing from the Llagas Subbasin and Coyote Valley subarea with a maximum summer pumping capacity of 18,054 AF per year; however, the City pumps only a fraction of this capacity. Since the basin is not adjudicated, the total supply available to the City is its maximum pumping capacity. Although this is available to the City, Morgan Hill does not intend to pump the full capacity available, and continues to encourage water conservation to its customers. In addition to the current wells, the City of Morgan Hill is constructing a new well, with a capacity of 368 AFY. Table 4.1.1 illustrates the total water supplies available to the City, including the supplies from the new well project.

Table 4.1.1 Water Supplies — Current and Projected Capacity					
Water Supply Sources	2010	2015	2020	2025	2030
Wholesale Water	0	0	0	0	0
Supplier-Produced Groundwater² – Coyote Valley	2,476	2,476	2,476	2,476	2,476
Supplier-Produced Groundwater² – Llagas	15,578	15,946	15,946	15,946	15,946
Supplier-Produced Surface Water	0	0	0	0	0
Transfers In	0	0	0	0	0
Exchanges In	0	0	0	0	0
Recycled Water	0	0	0	0	0
Desalinated Water	0	0	0	0	0
Total	18,054	18,422	18,422	18,422	18,422

Units: acre-feet per year

Wholesale Water Supply

The City of Morgan Hill does not purchase water through any wholesale water source. The table below is provided to document that the City does not intend to utilize purchased water during the projected planning period.

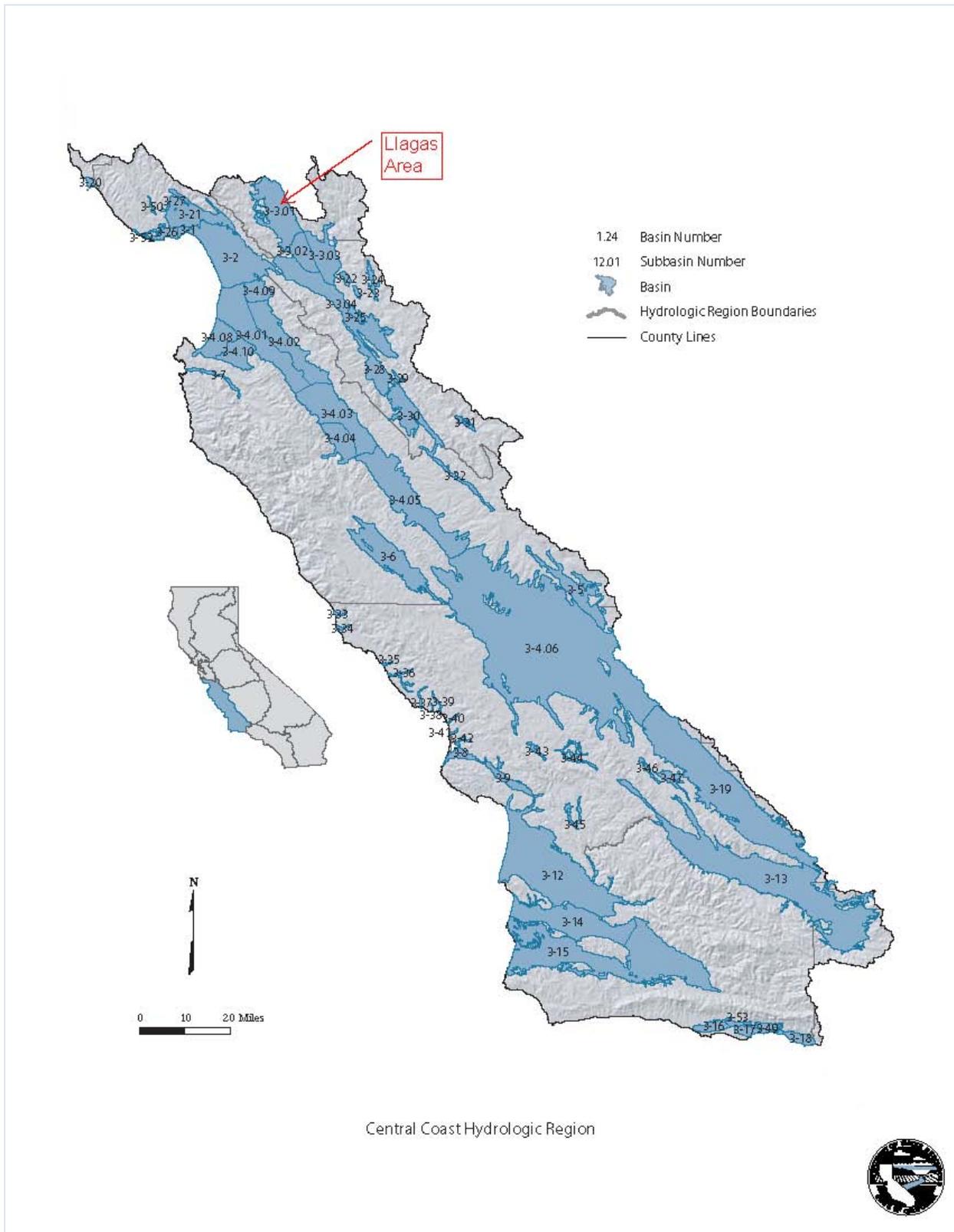
Table 4.1.2 Wholesale Supplies — Existing and Planned Sources of Water					
Wholesale Sources	Contracted Volume	2015	2020	2025	2030
Not Applicable	0	0	0	0	0

Units: acre-feet per year

4.2 GROUNDWATER

The City of Morgan Hill utilizes groundwater as its sole source of water for distribution. Groundwater is pumped from the Coyote Valley subarea of the Santa Clara Subbasin and the Llagas Subbasin. Figures 4.2.1 and 4.2.2 show the location of the Llagas Subbasin (3-3.01) and the Santa Clara Subbasin (2-9.02) within their respective hydrologic regions. The City does not obtain groundwater from other suppliers.

Figure 4.2.1: Central Coast Hydrologic Region



Urban Water Management Planning Act Requirement:

10631 (b)(1) If groundwater is identified as an existing or planned course of water available to the supplier provide...a copy of any groundwater management plan adopted by the urban water supplier, including plans adopted pursuant to Part 2.75 (commencing with Section 10750), or any other specific authorization for groundwater management.

The SCVWD has managed the groundwater basin in Santa Clara County since the early 1930s. SCVWD works in conjunction with local retailers, the Regional Water Quality Control Board, and other agencies to ensure a safe and healthy supply of groundwater. SCVWD's objectives related to groundwater management are to recharge the groundwater basin, conserve water, increase water supply, and to prevent waste or diminution of the water supply. An electronic copy of the Santa Clara Valley Water District Groundwater Management Plan can be found on the attached CD.

Urban Water Management Planning Act Requirement:

10631 (b)(2) If groundwater is identified as an existing or planned course of water available to the supplier provide...a description of any groundwater basin or basins from which the urban water supplier pumps groundwater.

As mentioned above, the City of Morgan Hill pumps its water from the Llagas Subbasin and the Coyote Valley subarea of the Santa Clara Valley Subbasin. These two subbasins are each part of different basins in Santa Clara County.

Coyote Valley Subarea – Santa Clara Subbasin

The Coyote Valley subarea is part of the Santa Clara Subbasin. The Santa Clara Subbasin, one of four subbasins of the Santa Clara Valley Basin, is divided into two subareas: the Coyote Valley and the Santa Clara Plain. Although part of the same Subbasin, the Coyote Valley and Santa Clara Plain subareas are distinguished from each other because they are located in different groundwater charge zones.

The Coyote Valley subarea is approximately 7 miles long and 2 miles wide, with a corresponding surface area of about 15 square miles, and contributes groundwater through the Coyote Narrows into the Santa Clara subbasin, which covers a total surface area of 225 square miles. A groundwater divide at Cochrane Road separates northerly flow toward San Francisco

Bay from water in the Llagas subbasin which drains to the south toward the Pajaro River and eventually Monterey Bay.

It is estimated by the Santa Clara Valley Water District that the total storage capacity of the Coyote Valley subbasin is around 23,000 to 33,000 acre-feet, and that the average depth to the water is about 23.5 feet, measured from the Palm Avenue Index Well over the last 60 years.

A complete description of the Santa Clara Subbasin, which includes the Coyote Valley subarea, is provided by the Department of Water Resources (DWR) in Bulletin 118. A copy of this can be found in Appendix E.

Llagas Subbasin

The Llagas Subbasin is the source of approximately 75 percent of Morgan Hill's water supply. It extends from Cochrane Road, in the City of Morgan Hill, to the County's southern boundary. The subbasin is hydraulically connected to the Bolsa subbasin of the Hollister Basin and bounded on the south by a prescribed boundary at the Pajaro River. The Llagas subbasin is approximately 15 miles long, 3 miles wide along its northern boundary, and 6 miles wide along the Pajaro River; it has a total area of approximately 74 square miles. A series of interbedded clay layers form an aquitard, which extends north of the Pajaro River.

The Llagas Subbasin is divided into three general areas: a forebay area, a confined area, and the Uvas Creek area. Groundwater in the forebay and Uvas Creek areas is unconfined and semi-confined, while groundwater is confined in the southern portion of the subbasin. The City of Morgan Hill overlies the forebay area, which is composed of four alluvial horizons, consisting of sandy gravel to cobbly basin fill materials. These horizons are interlayered with clay horizons that pinch-out toward the subbasin boundaries, causing locally-confined to semi-confined conditions. There appear to be two relatively continuous aquifers in the confined area, each of which overlies a lacustrine clay zone. The Uvas Creek area acts as another forebay area and is composed of an unconfined aquifer overlying a lacustrine clay zone 50 to 100 feet thick.

It is estimated that the capacity of the subbasin is between 150,000 and 165,000 acre-feet, with both the long-term natural groundwater recharge yield and the multiple dry year recharge yield at 19,000 acre-feet per year.

A complete description of the Llagas Subbasin is provided by the Department of Water Resources (DWR) in Bulletin 118. A copy of this can be found in Appendix E.

Groundwater Recharge

To maintain the groundwater level in the Santa Clara County Basins and minimize the potential for basin overdraft, a recharge system was developed. In addition to the natural groundwater

recharge, which is not controlled by SCVWD, “facility” recharge accounts for over 60% of the total recharge to the basins managed by SCVWD. Facility recharge is controlled by SCVWD, and includes imported raw water and water stored in local reservoirs. Water from local reservoirs is stored from wet weather events and water seepage. This, in addition to imported raw water from the Sacramento – San Joaquin River Delta make up 71 off-stream recharge ponds to recharge the Santa Clara Plain, Coyote Valley, and Llagas Subbasin. The artificial recharge sources provided an additional 102,600 AF in 2009 to the groundwater basins that supply the County; compared to the reported natural value of 60,300 AF during an average water year.

The SCVWD’s Groundwater Management Plan contains additional details regarding the Groundwater Recharge Program. The Groundwater Management Plan can be found on the attached CD. In addition, the City of Morgan Hill has written a summary of groundwater recharge efforts that take place within the City. The most recent summary, which includes water recharge rates for 2010, can be found in Appendix H.

Urban Water Management Planning Act Requirement:

10631 (b)(2) For those basins for which a court or the board has adjudicated the rights to pump groundwater, provide a copy of the order or decree adopted by the court or the board and a description of the amount of groundwater the urban water supplier has the legal right to pump under the order or decree.

The Santa Clara Valley Basin is not adjudicated.

Urban Water Management Planning Act Requirement:

10631 (b)(2) For basins that have not been adjudicated, (provide) information as to whether the department has identified the basin or basins as overdrafted or has projected that the basin will become overdrafted if present management conditions continue, in the most current official departmental bulletin that characterizes the condition of the groundwater basin, and a detailed description of the efforts being undertaken by the urban water supplier to eliminate the long-term overdraft condition.

Overdraft conditions are characterized by low groundwater levels and poor water quality. The 2003 Bulletin 118 update did not identify the Santa Clara Valley Basin as being in a condition of overdraft. Furthermore, reports on the water quality and level released by the Santa Clara Valley Water District as recent as January 2011 do not suggest that the basin is in a condition of overdraft.

Groundwater levels are not expected to drop based on the precautions taken by the City of Morgan Hill, as well as the Santa Clara Valley Water District. However, it should be noted that the groundwater level in the both the Llagas Subbasin and the Coyote Valley subarea have been recorded to be strongly dependent on the annual rainfall. Groundwater levels drop sharply and recover quickly during dry and wet periods. Precautions taken by the City and SCVWD to manage groundwater levels include constant groundwater level monitoring, groundwater quality monitoring, and water conservation efforts throughout the District. For more information, refer to Chapter 5: Water Supply Reliability and Water Shortage Contingency Planning, which describes the conservation efforts taken by the City and SCVWD.

Urban Water Management Planning Act Requirement:

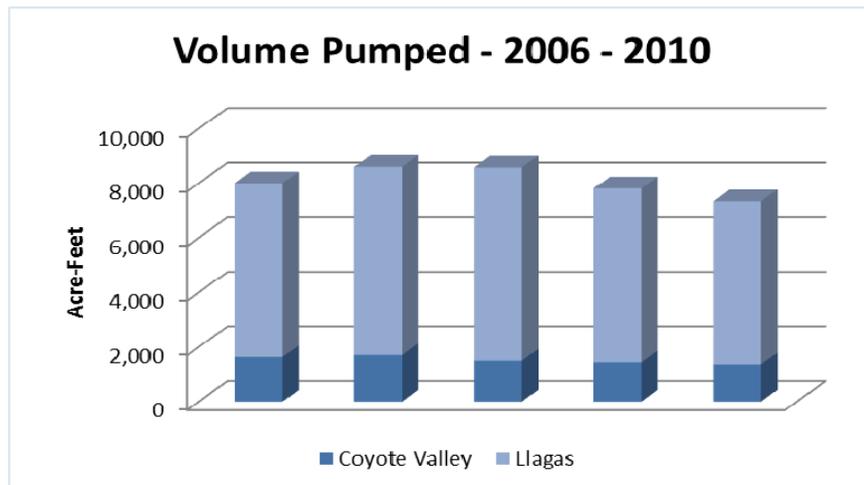
10631 (b)(3) (Provide a) detailed description and analysis of the location, amount, and sufficiency of groundwater pumped by the urban water supplier for the past five years. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.

Table 4.2.1 and Figure 4.2.3 illustrate the amount of groundwater pumped from each of the subbasins in the last five years, according to the DWR's Public Water System Statistics for the City of Morgan Hill.

Table 4.2.1						
Groundwater — Volume Pumped						
Basin name(s)	Metered or Unmetered ¹	2006	2007	2008	2009	2010
Coyote Valley – Santa Clara Valley Subbasin	Metered - volumetric	1,630	1,702	1,497	1,441	1,361
Llagas Subbasin	Metered - volumetric	6,368	6,889	7,073	6,363	5,972
Total groundwater pumped		7,998	8,591	8,570	7,804	7,333
Groundwater as a percent of total water supply		100%	100%	100%	100%	100%

Units: acre-feet per year

Figure 4.2.3: Groundwater – Volume Pumped (2006-2010)



In the years from 2006-2010, all of the water pumped from the Coyote Valley Subarea and Llagas Subbasin by the City of Morgan Hill was sufficient for the needs of the City, as the total amount available for use by the City of Morgan Hill is significantly larger than the actual amount used.

Urban Water Management Planning Act Requirement:

10631 (b)(4) (Provide a) detailed description and analysis of the amount and location of groundwater that is projected to be pumped by the urban water supplier. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.

The City of Morgan Hill intends to continue using groundwater pumped from the Llagas Subbasin and the Coyote Valley subarea as the sole supply for the City of Morgan Hill water demand. The projected amount of water to be pumped from the subbasins is shown in Table 4.2.2 below. The total amounts reported are based on the historical water use as well as the 20x2020 water conservation goals. However, the numbers reported for the individual subbasins in Table 4.2.2 are an estimate, based on the average past usage amounts. Historically, the City of Morgan Hill has pumped approximately 23% of the groundwater supply from Coyote Valley subarea, and the remaining 77% from the Llagas Subbasin, as illustrated in Figure 4.2.4. Although the percentage numbers varied from as much as 30% to as low as 17% from the Coyote Valley subarea, using an average of 23% provides a reasonable estimate of the total amount of water required from each Subbasin. The addition of the new well, with a capacity of 368, as detailed in Section 4.6, is not likely to affect the supply percentages substantially. The numbers reported in Table 4.2.2 are based on the total demand as described in Chapter 2: Water Demand, including reaching the ultimate target use of 159 GPCD by 2020.

Figure 4.2.4 – Historic Average Pumping Percentages by Subbasin

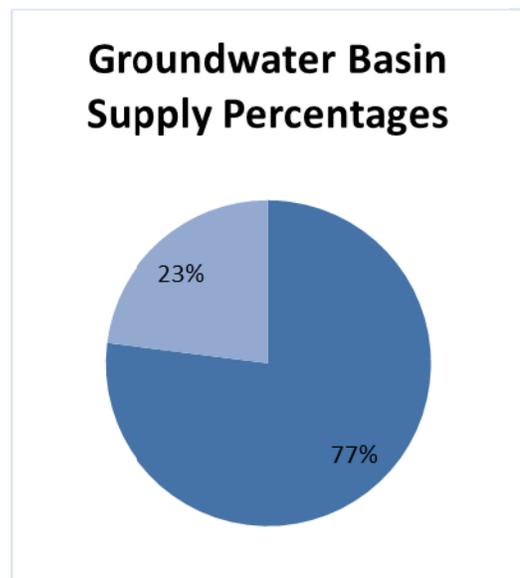


Table 4.2.2				
Groundwater — Volume Projected to be Pumped				
Basin name(s)	2015	2020	2025	2030
Llagas Subbasin	6,948	6,600	6,968	7,420
Santa Clara Subbasin – Coyote Valley Subarea	2,075	1,971	2,081	2,217
Total groundwater pumped	9,023	8,571	9,049	9,637
Percent of total water supply	100%	100%	100%	100%

Units: acre-feet per year

4.3 TRANSFER OPPORTUNITIES

Urban Water Management Planning Act Requirement:
 10631 (d) Describe the opportunities for exchanges or transfers of water on a short-term or long-term basis.

There are currently no short-term or long-term transfer opportunities available to the City of Morgan Hill.

Table 4.3.1			
Transfer and Exchange Opportunities			
Transfer Agency	Transfer or Exchange	Short-Term or Long-Term	Proposed Volume
Not Applicable	0	0	0
Total	0	0	0

Units: acre-feet per year

4.4 DESALINATED WATER OPPORTUNITIES

Urban Water Management Planning Act Requirement:

10631 (i) Describe the opportunities for development of desalinated water, including but not limited to, ocean water, brackish water, and groundwater, as a long-term supply.

The City of Morgan Hill is part of the Santa Clara Valley Water District. SCVWD, in cooperation with four other water agencies in the San Francisco Bay Area, is currently working on a project to determine the feasibility of using desalinated water as a long-term water supply source for its member agencies. Due to the proximity of the Pacific Ocean, this is considered a reasonable venture for a new long-term water supply source for the water agencies in the San Francisco Bay Area.

Water desalination is not a viable option for the City of Morgan Hill or SCVWD. However, SCVWD supports the venture as it could provide an additional source of water to the San Francisco Bay Area water retailers. Some of these retailers share similar water sources with SCVWD, such as the San Francisco Public Utilities Commission (SFPUC). Increasing the supply available to SFPUC through the use of desalinated water would increase the potable water supply available to SCVWD and its member agencies, including the City of Morgan Hill. Use of desalinated water would increase the reliability of water sources available from SFPUC and the State Water Project (SWP).

Currently, the project is scheduled for construction in 2015, according to the Santa Clara Valley Water District 2010 UWMP. The feasibility for the City of Morgan Hill to develop desalinated water as a supply can be analyzed upon completion of the test plant planned by the Santa Clara Valley Water District and the San Francisco Bay Area water agencies.

4.5 RECYCLED WATER OPPORTUNITIES

Urban Water Management Planning Act Requirement:

10633 Provide, to the extent available, information on recycled water and its potential for use as a water source in the service area of the urban water supplier. The preparation of the plan shall be coordinated with local water, wastewater, groundwater, and planning agencies that operate within the supplier's service area.

The City of Morgan Hill does not utilize recycled water, nor does it have treatment plants within City limits. However, wastewater is pumped from the City of Morgan Hill to the South County Regional Wastewater Authority's (SCRWA) Waste Water Treatment Plant (WWTP) near Gilroy, CA. Recycled water produced from this plant is only used around the City of Gilroy, as it would not be economically feasible to pump the water back to the City of Morgan Hill for use.

In 2004, the Santa Clara Valley Water District released a Recycled Water Master Plan that described the opportunity for recycled water throughout SCVWD, including potential customers in the City of Morgan Hill. The identified customers in the City of Morgan Hill included government facilities (police station, street medians, civic center, etc.) as well as parks, and schools of the Morgan Hill Unified School District. A total of twenty-one customers were identified as potential recycled water users, including the American Institute of Mathematics Golf Course. The combined use of these facilities was estimated at 769 AFY. However, it was determined not economically feasible to construct a pipeline from the SCRWA WWTP to the potential recycled water customers for this amount of water, as the capital and maintenance costs could not be made up with sales of 769 AFY at a price competitive with the current distribution system.

Urban Water Management Planning Act Requirement:

10633 (a) (Describe) the wastewater collection and treatment systems in the supplier's service area, including a quantification of the amount of wastewater collected and treated and the methods of wastewater disposal.

Wastewater is collected from the City of Morgan Hill and transported to the SCRWA WWTP in Gilroy. The WWTP reports an average daily flow of 6.46 MGD in 2010, up from 6.01 MGD in

2009. Of this, roughly 44% (2.85 MGD in 2010 and 2.67 MGD in 2009) can be attributed to flow from the City of Morgan Hill. All wastewater from the City of Morgan Hill is sent to the SCRWA WWTP for treatment and recycling.

Table 4.5.1 illustrates the projected wastewater flow from the City of Morgan Hill and the associated level of treatment at the SCRWA WWTP. Wastewater treated to the tertiary level is utilized for irrigation and the remaining wastewater is treated to the secondary effluent level.

Table 4.5.1						
Recycled Water — Non-Recycled Wastewater Disposal						
Method of Disposal	Treatment Level	2010	2015	2020	2025	2030
SCRWA WWTP	Secondary Effluent	944	1161	1103	1165	1241
SCRWA WWTP	Tertiary	105	129	123	129	137
Total		1129	1049	1290	1226	1294

Units: million gallons per year

Urban Water Management Planning Act Requirement:
 10633 (b) (Describe) the quantity of treated wastewater that meets recycled water standards, is being discharged, and is otherwise available for use in a recycled water project.

Although not in the City of Morgan Hill service area, a portion of the wastewater produced in the City of Morgan Hill is treated to the tertiary level and is then supplied for irrigation purposes around the City of Gilroy. Approximately 700 AFY of recycled water is distributed by the SCRWA. Table 4.5.2 illustrates the volume of wastewater collected in the City of Morgan Hill, as well as the volume that is treated to meet the recycled water standards.

Table 4.5.2						
Recycled Water — Wastewater Collection and Treatment						
Type of Wastewater	2005	2010	2015	2020	2025	2030
Wastewater collected & treated in service area	1129	1049	1290	1226	1294	1378
Volume that meets recycled water standard	113	105	129	123	129	137

Units: million gallons per year

Urban Water Management Planning Act Requirement:
 10633 (c) (Describe) the recycled water currently being used in the supplier’s service area, including, but not limited to, the type, place, and quantity of use

Recycled water is currently not used within the service area of the City of Morgan Hill.

Urban Water Management Planning Act Requirement:
 10633 (d) (Describe and quantify) the potential uses of recycled water, including, but not limited to, agricultural irrigation, landscape irrigation, wildlife habitat enhancement, wetlands, industrial reuse, groundwater recharge, indirect potable reuse, and other appropriate uses, and a determination with regard to the technical and economic feasibility of serving those uses.

The 2004 Recycled Water Master Plan discusses several potential recycled water use customers in the City of Morgan Hill. A total of 21 customers with an annual usage of 769 AFY were identified. The customer types, along with the potential recycled water requirements are listed below in Table 4.5.3.

Table 4.5.3 Recycled Water — Potential Future Use						
User type	Description	Feasibility	2015	2020	2025	2030
Agricultural irrigation						
Landscape irrigation	Morgan Hill Unified School District, Medians, Police Station and Parks	No	389	389	389	389
Commercial irrigation³						
Golf course irrigation	AIM Golf Course	No	380	380	380	380
Wildlife habitat						
Wetlands						
Industrial reuse						
Groundwater recharge						
Seawater barrier						
Geothermal/Energy						
Indirect potable reuse						
Total		No	769	769	769	769

Units: acre-feet per year

Although customers using a total of 769 AFY of water in the City of Morgan Hill were identified, further analysis of this shows that distribution of this water is not feasible. A cost analysis considering the pipeline distribution system from the Gilroy wastewater treatment plant to the City of Morgan Hill customers was conducted by the SCVWD. The Preliminary WSIMP Project Benefits and Cost Summary Report shows that capital costs and maintenance would result in a cost of approximately \$2,710 per AF of recycled water. At this time, use of recycled water in the City of Morgan Hill is not feasible. Future analyses may be completed to identify options for making recycled water available at an economical price to customers.

Urban Water Management Planning Act Requirement:
10633 (e) (Describe) the projected use of recycled water within the supplier’s service area at the end of 5, 10, 15, and 20 years, and a description of the actual use of recycled water in comparison to uses previously projected pursuant to this subdivision.

The 2005 UWMP identified similar concerns for the use of recycled water as have been addressed in this section. The main concern is that the recycled water use in the City of Morgan Hill is too low to justify expanding the Gilroy WWTP recycled water system. As a result, the 2005 UWMP update did not identify any potential for recycled water use in 2005. Although the 2004 Recycled Water Master Plan identified possible customers in the area of the City of Morgan Hill, it was not feasible to deliver water to these customers. Table 4.5.4 identifies the required comparison.

Use type	2010 Actual Use	2005 Projection for 2010
Agricultural irrigation	0	0
Landscape irrigation	0	0
Commercial irrigation	0	0
Golf course irrigation	0	0
Wildlife habitat	0	0
Wetlands	0	0
Industrial reuse	0	0
Groundwater recharge	0	0
Seawater barrier	0	0
Geothermal/Energy	0	0
Indirect potable reuse	0	0
Total	0	0

Units: acre-feet per year

Urban Water Management Planning Act Requirement:

10633 (f) (Describe the) actions, including financial incentives, which may be taken to encourage the use of recycled water, and the projected results of these actions in terms of acre-feet of recycled water used per year.

At this time, financial incentives cannot be provided to encourage the use of recycled water within the City of Morgan Hill as recycled water is not available and not an economically feasible option.

Table 4.5.5 is provided to illustrate that the City of Morgan Hill is not offering financial incentives to use recycled water, since the use of recycled water within the service area is not economically feasible in the foreseeable future.

Table 4.5.5 Methods to Encourage Recycled Water Use					
Actions	Projected Results				
	2010	2015	2020	2025	2030
Financial Incentives	0	0	0	0	0
Total	0	0	0	0	0

Units: acre-feet per year

Urban Water Management Planning Act Requirement:

10633 (g) (Provide a) plan for optimizing the use of recycled water in the supplier’s service area, including actions to facilitate the installation of dual distribution systems, to promote recirculating uses, to facilitate the increased use of treated wastewater that meets recycled water standards, and to overcome any obstacles to achieving that increased use.

At this time, the City of Morgan Hill does not distribute recycled water within its service area. Further studies will have to be conducted to identify more customers or alternative options for the treatment of wastewater and distribution of recycled water within City limits for recycled water to become a feasible source of water.

4.6 FUTURE WATER PROJECTS

Urban Water Management Planning Act Requirement:

10631 (h) (Describe) all water supply projects and water supply programs that may be undertaken by the urban water supplier to meet the total projected water use as established pursuant to subdivision (a) of Section 10635.

The City of Morgan Hill recently constructed the Diana I Well pursuant to the recommendations of the 2001 Water Master Plan. This well was brought online in 2010 and produces approximately 900 gallons per minute, or 21,600 GPD. Additionally, the City plans to construct an additional well in 2013/2014, which will be capable of producing approximately 700-900 gallons per minute. Table 4.6.1 provides an overview of the increased supply available as part of the implementation of the additional well.

Project Name	Start & End Date	Potential Project Constraints	Normal -year supply	Single-dry year supply	Multiple -dry year first year supply	Multiple -dry year second year supply	Multiple -dry year third year supply
Well Construction – Project # 601000	2013 - 2014	None	368	368	368	368	368
Total		None	368	368	368	368	368

Units: acre-feet per year

4.7 GRAYWATER

In addition to the above sources of water, the City of Morgan Hill has considered implementing graywater use. Graywater is wastewater that has not undergone any treatment processes, but still can be reused for irrigation purposes. Graywater includes water collected from showers,

bathrooms, and washing machines. Water that could potentially be contaminated with harmful materials, such as feces or harmful bacteria, is referred to as blackwater and is not considered reusable without treatment. Blackwater, not allowed to be connected with a graywater system, comes from toilets, kitchen sinks, and dishwashers.

Graywater systems can be installed at residences or businesses with potential for use either indoor (e.g. toilets) or outdoor (irrigation), reducing the need for potable water. However, for indoor use, the graywater must go through some kind of filtering process to reduce the concentration of organic material. In addition, graywater cannot sit for periods longer than 24 hours. When allowed to sit, graywater, which has high levels of organic material, can accumulate bacteria. These bacteria can multiply and quickly reach levels that may cause harm to human health, turning the graywater into blackwater.

The State has made an effort to encourage the use of graywater through Senate Bill 1258 (SB 1258), which modifies the current plumbing code to reduce the complexity of the permitting process required to install a graywater system. Although the State encourages the use of graywater, the City of Morgan Hill does not anticipate that graywater will be a major source of water within its service area. After analyzing the feasibility of graywater projects within the City, it was found that graywater systems were not an economically viable option and therefore would result in limited response from the community. Installation and maintenance costs of graywater systems are likely to far outweigh the small potable water cost savings. Additionally, the City anticipates that the risk of chemicals that can harm plant life during irrigation, such as soaps, will further deter the community from accepting graywater as standard practice. The City of Morgan Hill is also considering implementing more stringent regulations on the use of graywater systems within the City for sanitary and health reasons.