



# Agenda Report

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**Agenda of:** July 08, 2025

**Department:** Administration

**Subject:** Discussion and appropriate action regarding the acquisition of additional water rights.

**Recommended Motion:** I move to authorize the purchase of \_\_\_\_\_ water rights in an amount not exceed \_\_\_\_\_.

**Background:** City Council has requested a review of the City's available water rights in relation to projected population growth and home construction. The attached chart and tables provide an overview of authorized rights, drought-stage restrictions, forecasted water demand, and anticipated residential development.

A combination chart included in this report illustrates stacked water rights (base and additional), a population growth trend line, and drought stage limits. This visual provides context for evaluating whether additional water rights should be pursued in light of forecasted needs.

The forecast for home construction through 2030 suggests a consistent but manageable increase in population and corresponding water demand. Based on subdivision data:

- - Alsatian Oaks: 536.112 acre-feet required; FILO "paid" for Units 1–3 only.  
84.5 acre feet are expected to be delivered with the final plat of units 4 through 6 later this year.
- - Flat Creek: 409.428 acre-feet required; no water rights delivered yet.  
126.7 acre feet are expected to be delivered with the final plat for units 1 through 3 later this year.
- - Country Village Estates: 52.632 acre-feet required; only Phase 1 delivered, phase 2 water rights are expected in 2026.
- - Heights of Castroville: 71.604 acre-feet required; water rights are expected to be delivered later this year with their final plat.

The combination of projected water rights delivery and current pumping restrictions suggest there is no immediate need to acquire additional rights. Staff does not recommend borrowing funds for new water rights at this time.

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**Staff Recommendation:** Staff recommends no further action on purchasing water rights at this time. Future development should be monitored for compliance with subdivision agreements related to water dedication.

**Fiscal Impact:** TBD. Currently, water rights are being sold at between \$12,000 and \$13,000 per acre foot.

☐ Budgeted   ☒ **Requires Budget Amendment**

**Source of Funding:** Water Acquisition Fund (current balance = \$456,000)

Account Code:

**Attachments:** None.

**Urgency (0-5 = Low Urgency to High Urgency): 3**

**Impact (0-5 = Low Impact to High Impact): 3**

**Submitted by: R. Scott Dixon**