

Bristol Harbor Master

TO: Bristol Town Council

Steven Contente Copy:

Bristol Town Administrator

FROM: Gregg Marsili

Bristol Harbor Master

DATE: May 12, 2025

SUBJECT: Marina Fuel Prices

This memo recommends two important changes to the Bristol Marina fuel dock pricing policy:

- 1. Removal of the current \$1 above wholesale price cap on marine fuel
- 2. Adjustment of the Bristol Resident discount from the current rate to 5 cents per gallon

These changes will allow the marina to operate more competitively while maintaining appropriate benefits for local residents.

Elimination of Fuel Price Cap

The current policy limiting fuel prices to \$1 above wholesale purchase price should be eliminated for the following reasons:

Market Competitiveness

- Other marinas in our region operate without artificial price caps, allowing them to adjust pricing strategies seasonally
- Removing the cap allows us to remain competitive with other providers through more flexible pricing options

Industry Standard Practices

- A survey of comparable marinas in the region shows that fixed markup caps are increasingly uncommon
- Most successful marine fuel operations maintain pricing that reflects both wholesale costs and market conditions
- Industry benchmarking indicates that flexible pricing models result in more sustainable fuel operations

Bristol Resident Discount Adjustment

I recommend adjusting the Bristol Resident discount to a fixed 5 cents per gallon for the following reasons:

Simplified Administration

- A fixed per-gallon discount is easier to administer and communicate than a percentage discount
- Reduces calculation errors at point of sale
- Provides consistent, predictable savings regardless of fluctuating fuel prices

Fair and Transparent Benefit

- Residents will clearly understand the exact benefit they receive
- The discount maintains a meaningful benefit for locals while balancing marina operational needs
- Provides a consistent discount regardless of market volatility

Financial Predictability

- Allows for more accurate budgeting of resident discount program costs
- Creates a sustainable long-term resident benefit program
- Reduces financial uncertainty during periods of extreme price fluctuation

Community Relations

- Maintains our commitment to providing special consideration for Bristol residents
- Reinforces the marina's position as a community asset
- Continues our tradition of acknowledging local taxpayer support

The removal of the \$1 price cap combined with a standardized 5-cent Bristol Resident discount represents a balanced approach that enhances the marina's operational flexibility while maintaining appropriate community benefits. These changes will position Bristol Marina for continued success in a competitive market while ensuring we can sustain high-quality service for all customers.