



MAYOR AND CITY COUNCIL

WORK SESSION
Tuesday, August 26, 2025 - 1:00 PM

AGENDA

1. CALL TO ORDER

2. NOTICE AND REPORT ON CLOSED SESSION

- A. Closed Session Notice and Report - Tuesday, August 26, 2025, 12:00 - 1:00 PM to discuss Legal Matters

3. ACKNOWLEDGEMENTS AND RECOGNITIONS

4. COMMENTS FROM THE PUBLIC

- A. Any person who may wish to speak on a matter scheduled for discussion on the Work Session Agenda may be heard during Comments from the Public for a period of three (3) minutes or such time as may be deemed appropriate by the Council President. Anyone wishing to be heard shall state their name, address and the Agenda item on which he or she wishes to speak.

5. NEW BUSINESS

- A. Request to Approve Minutes
 - 1. Regular Meeting #14 dated August 18, 2025
- B. Acknowledgement of Standing Committee Reports
 - 1. Pension Committee August 20
 - 2. Bicycle and Pedestrian Advisory Committee - August 20 (with Recommendation for Agenda Item 5C)
- C. Discussion of State Law Change Regarding Bicycles on Sidewalks presented by Police Sgt. Nathan Kutz and Public Works Director Hal Adkins
- D. Recommendations for Electric Scooters presented by City Manager Terry McGean and City Solicitor Heather Stansbury
- E. Q2 2025 Internal Audit Report presented by Internal Auditor Karin Scott
- F. FY 2026 Annual Audit Plan presented by Internal Auditor Karin Scott

6. ADJOURN



TOWN OF OCEAN CITY

The White Marlin Capital of the World

Agenda Item # 2.A
Council Meeting August 26, 2025

TO: The Honorable Mayor, Council President and Members of Council
THRU: Terence J. McGean, PE, City Manager
FROM: Diana Chavis, City Clerk, MMC
RE: Closed Session Notice and Report
DATE: August 18, 2025

ISSUE(S): Closed Session Notice and Report

SUMMARY: A Mayor and Council closed session is scheduled for Tuesday, August 26, 2025, at 12:00 PM to discuss legal matters.

FISCAL IMPACT: Not Applicable

RECOMMENDATION: Not Applicable



Excellent Service through a High Performing Town Organization

ALTERNATIVES: Not Applicable

RESPONSIBLE STAFF: Not Applicable

COORDINATED WITH: Not Applicable

ATTACHMENT(S): 1. Closed Session Notice 8.26.25.doc
2. Closed Session Report 8.26.25.doc

NOTICE OF CLOSED SESSION OF MAYOR & CITY COUNCIL OF OCEAN CITY

AUTHORITY: State Government General Provisions Article: § 3-305(b)

DATE AND TIME: Tuesday, August 26, 2025 12:00 PM – 1:00 PM
 PLACE: City Hall
 SUBJECT: Legal Matters
 VOTE: UNANIMOUS
OTHER: FOR: _____
AGAINST: _____
ABSTAIN: _____
ABSENT: _____

PURPOSES:

	1. To discuss: (i) the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation or performance evaluation of appointees, employees or officials over whom it has jurisdiction; or (ii) any other personnel matter that affects one or more specific individuals;
	2. To protect the privacy or reputation of individuals with respect to a matter that is not related to public business
	3. To consider the acquisition of real property for the public purpose and matters directly related thereto;
	4. Consider a matter that concerns the proposal for a business or industrial organization to locate, expand or locate in the state;
	5. Consider the investment of public funds;
	6. Consider the marketing of public securities;
X	7. Consult with counsel to obtain legal advice;
	8. Consult with staff, consultants or other individuals about pending or potential litigations;
	9. Conduct collective bargaining negotiations or consider matters that relate to the negotiations;
	10. Discuss public security if the public body determines that public discussion would constitute a risk to the public or public security, including; a) the deployment of fire and police services and staff; and b) the development and implementation of emergency plans
	11. Prepare, administer or grade a scholastic, licensing or qualifying examination;
	12. Conduct or discuss an investigative proceeding on actual or possible criminal conduct;
	13. Comply with a specific constitutional, statutory or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter; or
	14. Before a contract is awarded or bids are opened, discuss a matter directly related to a negotiation strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process
	15. To discuss cybersecurity, if the public body determines that public discussion would constitute a risk to: (i) security assessments or deployments relating to information resources technology; (ii) network security information or (iii) deployments or implementation of security personnel, critical infrastructure or security devices.

For each provision checked above, disclosure of the topic to be discussed and the public body's reason for discussing that topic in closed session.

Citation	Topic	Reason for closed session discussion of topic
§3-305(b)7	Pending and potential litigation	Attorney-client privilege

REPORT OF CLOSED SESSION
OF THE MAYOR AND CITY COUNCIL OF OCEAN CITY

Prior to the open session of the Mayor and City Council being held on Tuesday, August 26, 2025, at 1:00 PM, a closed session was held on Tuesday, August 26, 2025, at 12:00 PM at City Hall, 301 N. Baltimore Avenue, Ocean City, Maryland. The following is a report of the closed session.

1. A statement of the time, place, and purpose of the closed session is attached.
2. A record of the vote of each member as to closing the session is attached.
3. A citation of the authority under the law for closing the session is attached.
4. (a) Topics of Discussion: Legal Matters

(b) Persons present:

Mayor Rick Meehan
City Manager Terry McGean
Deputy City Manager J.R. Harmon
Council President Matt James
Council Secretary Tony DeLuca
Council Members: Will Savage III, Larry Yates, John Gehrig, Jake Mitrecic,
Carol Proctor
City Clerk Diana Chavis
City Solicitor Heather Stansbury

Action(s) taken:

Motion to close meeting:

End Time:



TOWN OF OCEAN CITY

The White Marlin Capital of the World

Agenda Item # 4.A
Council Meeting August 26, 2025

TO: The Honorable Mayor, Council President and Members of Council
THRU: Terence J. McGean, PE, City Manager
FROM: Diana Chavis, City Clerk, MMC
RE: Public Comments
DATE: August 18, 2025

ISSUE(S): Comments from the Public

SUMMARY: Any person who may wish to speak on a matter scheduled for discussion on the Work Session Agenda may be heard during Comments from the Public for a period of three (3) minutes or such time as may be deemed appropriate by the Council President. Anyone wishing to be heard shall state their name, address and the Agenda item on which he or she wishes to speak.

FISCAL IMPACT: Not Applicable

RECOMMENDATION: Not Applicable



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ALTERNATIVES: Not Applicable

RESPONSIBLE STAFF: Not Applicable

COORDINATED WITH: Not Applicable

ATTACHMENT(S): None



TOWN OF OCEAN CITY

The White Marlin Capital of the World

Agenda Item # 5.A
Council Meeting August 26, 2025

TO: The Honorable Mayor, Council President and Members of Council
THRU: Terence J. McGean, PE, City Manager
FROM: Diana Chavis, City Clerk, MMC
RE: Mayor and City Council Minutes
DATE: August 18, 2025

ISSUE(S): Request to Approve Minutes

SUMMARY: 1. Regular Meeting #14 dated August 18, 2025

FISCAL IMPACT: Not Applicable

RECOMMENDATION: Approve minutes.



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ALTERNATIVES: Advise of necessary modifications.

RESPONSIBLE STAFF: City Clerk Diana L. Chavis, MMC

COORDINATED WITH: Deputy City Clerk Jessica D. Cropper, CMC

ATTACHMENT(S): None



TOWN OF OCEAN CITY

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Agenda Item # 5.B
Council Meeting August 26, 2025

TO: The Honorable Mayor, Council President and Members of Council
THRU: Terence J. McGean, PE, City Manager
FROM: Diana Chavis, City Clerk, MMC
RE: Standing Committee Reports
DATE: August 18, 2025

ISSUE(S): Acknowledgement of Standing Committee Reports

SUMMARY: 1. Pension Committee - August 20
2. Bicycle and Pedestrian Advisory Committee - August 20 -
with Recommendation

BPAC recommendation: to prohibit bicycles on sidewalks unless otherwise designated by resolution. This recommendation will be taken into consideration when discussing Agenda Item 5C.

FISCAL IMPACT: Not Applicable

RECOMMENDATION: Not Applicable



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ALTERNATIVES: Not Applicable

RESPONSIBLE STAFF: Not Applicable

COORDINATED WITH: Not Applicable

ATTACHMENT(S): 1. 2025-08-20 Pension Committee Minutes.docx
2. 2025.08.20 BPAC Meeting Minutes #81.pdf

Town of Ocean City
Pension Committee Minutes
City Hall, Council Chambers
August 20, 2025 - 9:00 AM

Trustees Attending: Council President Matt James; Councilman Will Savage; Public Safety Rep. Sean McHugh; General Employees Rep. Karin Scott; Tim King

Trustees absent: Mayor Rick Meehan; Jeff Thaler

Staff Attending: Amanda Bayline; Chuck Bireley; Katie Callan; Ioana Gudelsky; Jennie Knapp; Hal Adkins; Deputy City Manager J.R. Harmon

Presenters: David Esham–Morgan Stanley; Ed Koebel and Zack Smith-CavMac Actuarial Consulting Services

Council President James called the meeting to order at 9:00 AM.

David Esham - Morgan Stanley

David commented on current economic and market conditions in the United States and around the world. He discussed 2nd Quarter and year to date stock and bond market performance. David discussed current economic factors including inflation, current equity valuations and asset class performance.

David discussed the pension plans' 2nd calendar quarter investment performance. Investment return for the General Employees' Plan was 6.59% and 7.31% year to date. The investment return for the Public Safety plan was 6.60% and 7.27% year to date. David reviewed the second quarter fund manager's performance. There was not a recommendation to replace any fund managers.

Ed Koebel – CavMac

Ed Koebel, Principal and Consulting Actuary, presented the Pension Plans Annual Valuation Results as of April 1, 2025. Ed reviewed the changes to the General Employees and Public Safety Employees Plans. The market value of assets return for the 2025 valuation year was 5.8%, but the actuarial smoothing return was 7.8% compared to an assumed rate of 6.7%. The plans remain well funded at 86.6% (General) which is a 1.7% increase and 84.5% (Public Safety) which is a 1.3% increase. The average public sector pension plan funding is 76%. The recommended contribution for FY25 for the General Employees Plan is \$3,359,117, which is an increase of \$156,273. The recommended contribution for FY25 for the Public Safety Employees Plan is \$5,608,089 which is an increase of \$531,340.

Motion by Tim King; seconded by Karin Scott to recommend making the actuarially determined pension contributions to the City Council. The vote was unanimous.

Motion by Tim King; seconded by Karin Scott to adjourn the meeting. The vote was unanimous.

Chuck Bireley
8.21.25



Town of Ocean City, Maryland
Bicycle & Pedestrian Advisory Committee (BPAC)
Meeting Minutes

OCEAN CITY BICYCLE & PEDESTRIAN ADVISORY COMMITTEE (OC BPAC)
Meeting Minutes

DATE: Wednesday, August 20, 2025
TIME: 2:00 PM to 3:19PM
LOCATION: 65th Street Public Works Campus
Procurement Conference Room
214 65th Street, Ocean City, MD 21842
RE: OC BPAC Meeting #81

OC BPAC MEMBERS:

X	Sergeant Nathan Kutz (President / Police)
X	Mary Wiedorfer (Vice President / Resident)
	Tony DeLuca (Chair, Council Liaison)
X	Hal Adkins (Public Works)
X	Joe Marx (Business Owner)
X	Lisa Stashak (Resident)

X	George Bendler (Planning & Zoning)
X	Zach Bankert (OCDC)
X	Dan Wilson (SHA Member)
	Mike Steinen (Resident)
X	Joe Kurtz (Engineering)

Note: Quorum is majority of members present. X = In attendance at meeting

OC BPAC GENERAL ATTENDEES:

X	Chief Ray Austin
X	Lt. Allen Hawk
X	Sabrina Hecht
X	DCM Ashley Miller

ACTION ITEMS:

#:	Name:	Action Item:	Due By:
1	Nathan	Add to September agenda DuraDeck ground protection mats	9/17/25
2	Nathan	Connect with Mulowa on logistical concerns/resources for September meeting	9/17/25
3	Nathan	Coordinate with Larry Noccolino for meeting space at Convention Center	9/17/25
4	Nathan	Reach out to Cynthia Spriggs for more bike lights	9/17/25
5	Nathan	Connect with Tourism for addition OC Smiley lights	9/17/25
6	Nathan	Remove P&Z Recommendations from agenda	9/17/25
7	Nathan	Forward Bikes on Sidewalk Recommendation to City Council	9/17/25
8	Nathan	Recommend to MDOT to include scooters in Cheswick/Walk Smart campaign	9/17/25
9	Joe Kurtz	Get oceanside street end bike rack plans to Hal for review	9/17/25
10	Hal	Research best product for application of green St. Louis bike lane markings	9/17/25

ANNOUNCEMENTS:

- Mr. Tony DeLuca is excused from today's meeting
- September meeting will feature MDOT representatives to talk about the PSAP and "Road Diet"
- Bike Light events in July and early August were a success
- Ryan Whittington to give out free helmets at Fire House 15th

DISCUSSION ITEMS:



Town of Ocean City, Maryland
Bicycle & Pedestrian Advisory Committee (BPAC)
Meeting Minutes

- 81.1 Review of 2025.07.16 Meeting Minutes and Action Items:
- Committee reviewed meeting minutes and action items with the Committee.
 - Lisa motioned to approve. Motion seconded by Joe Kurtz. None opposed. Motion passed.
- 81.2 SHA Pedestrian Safety Committee:
- Dan reported MDOT conducted public outreach
 - Dan reports that MDOT representatives will be here at September meeting
 - Dan suggests a bigger venue for meeting
 - Nathan to consider Convention Center (Larry Noccolino)
 - Nathan to consider A/V, computer, monitor
 - Nathan to ask Mulowa what resources she needs
- 81.3 Boardwalk Bike Rack Dedication Program
- BPAC has forwarded recommendations to PW
 - PW is working out logistics
- 81.4 Oceanside Street End Bike Racks
- Mary verbally reached out to condominium groups from 140th to 146th Street
 - Hal asked if there were site plans
 - Joe Kurtz to get site plans to Hal/PW
 - George reported Lennar made donation for 141st Street racks
 - Mary asked George why there were not more bike racks on businesses
 - Planning encourages bike racks for new construction
 - Sabrina recommended bike racks to eliminate parking spaces
- 81.5 Bike Light, Donations, and Promotional Items
- Nathan organized two (2) "Lights on Bikes" events
 - July 30st
 - August 1st
 - Officers, DCM Ashley Miller, PSOs distributed hundreds of lights
 - BPAC has exhausted its stock of bike lights
 - Issued 813 Total Lights in 2025, 2nd best record since 2019 (846 lights)
 - Of that total, 498 were the OC Smiley Lights donated by Tourism
 - BPAC has no remaining funds for lights with the exception of a small amount required to be left in the bike light account
 - Nathan asked Tourism if they would fund additional OC Smiley Lights
 - Dan mentioned to Cynthia Spriggs that BPAC was issuing lights
 - Nathan to reach out to Cynthia Spriggs
- 81.6 Atlantic Avenue Easement
- Public Safety Access only
 - Irene Condo building is adding a pool deck, creating difficulties for emergency response
 - BPAC supports an unobstructed easement from 27th to 146th street



Town of Ocean City, Maryland
Bicycle & Pedestrian Advisory Committee (BPAC)
Meeting Minutes

81.7 P&Z Recommendations

- a. Boardwalk hours have changed to “Midnight to noon”
- b. Mary reported at a recent coalition meeting, Senator Carozza was concerned about the median fence
- c. This to be removed from meeting agenda. Road Diet/PSAP will be absorbed into SHA Pedestrian Safety agenda item.

81.8 St. Louis Ave Bike Lane / Paint Markings

- a. Nathan suggested to Hal for green paint markings at signalized intersection locations on Baltimore Avenue
- b. Hal to research best product

81.9 Bylaw Update to Add Honorary BPAC Members

- a. Nathan waiting on status update
- b. Nathan to report back at next meeting

81.10 Bicycles on Sidewalks

- a. BPAC is to make a recommendation to the City Manager, Mayor, and City Council
- b. The question is: Does BPAC support bicycles riding on sidewalks
- c. Philadelphia Avenue Somerset Street to Fishing Pier there is a 14’ sidewalk (West side of Phila); other sidewalks are not as wide
- d. On MD 528 at Rt 90 northbound 59th to 63rd – choke point for bicycles vs. cars
- e. Dan reported most sidewalks are too narrow to accommodate bicycles safely
- f. Route 50 bridge’s sidewalks are very narrow
- g. Bicycles on sidewalks would conflict with bus stop pedestrian egress, entry onto buses
- h. When a street is redone, a complete street approach analysis is conducted based on high value of pedestrian movement, maximum 8’ width – not wide enough for bikes and peds
- i. Festivals create increased pedestrian movement on sidewalks – could conflict with bikes
- j. There is an existing shared use path on Philadelphia Avenue from Somerset to S. 1st St
- k. There is a dedicated bike lane on St. Louis Avenue from Somerset to 17th Street – Can be used as an alternative to using sidewalks.
- l. Mary suggests to word the suggestion to allow shared use lane
- m. **Motion to recommend prohibiting bicycles on sidewalk unless otherwise designated by resolution. Motion by George, second by Lisa, none opposed. Motion passed.**

81.11 E-Devices/Micromobility Devices

- a. Nathan presented on micromobility devices
- b. George pointed out that e-devices are cheaper
- c. Joe Marx and Mary pointed out these devices will become more common
- d. Mary suggested education at point of sale
- e. Joe Kurtz pointed out this is a national issue
- f. Lisa pointed out a more grass routes campaign to involve larger employers of J1s with educational services



Town of Ocean City, Maryland
Bicycle & Pedestrian Advisory Committee (BPAC)
Meeting Minutes

- g. DCM Ashely Miller pointed out there is a centralized J1 seasonal workforce development coalition
- h. DCM Ashley Miller has worked on outreach through these outlets before
- i. DCM Ashely Miller pointed out that housing rentals often come with a complimentary bike/scooters
- j. Lisa suggested an ad-campaign with Cheswick using social media like Whatsapp
- k. Nathan to recommend to MDOT for more robust outreach to include scooters

81.12 Open Session

- a. Bike Lights, Pedestrian Collisions, and Bicycle Collisions statistics update: *(may be on next page)*

Bicycle/Scooter Light Distribution

	January	February	March	April	May	June	July	August	September	October	November	December	Total*	OC
2018	N/A	N/A	N/A	2	33	3	17	88	35	30	0	0	208	0
2019	0	4	7	10	34	123	142	516	10	0	0	0	846	0
2020	0	0	0	0	0	54	17	18	0	0	0	0	89	0
2021	0	0	0	0	34	40	236	69	26	0	0	0	405	0
2022	0	0	0	0	0	50	119	120	0	0	0	50	339	0
2023	16	17	15	10	52	41	57	135	0	0	51	16	410	0
2024	32	20	21	0	37	132	135	98	37	0	29	0	541	0
2025	6	26	40	94	110	274	82	181	0	0	0	0	813	498
Avg.	7.7	9.6	11.9	14.5	37.5	89.6	100.6	153.1	13.5	3.8	10.0	8.3	456.4	62.3

*Total Lights Issued Column includes OC Smiley Lights

Bicycle Collisions (including E-Bikes)

	January	February	March	April	May	June	July	August	September	October	November	December	Total	Fatal
2025	0	0	1	1	3	5	5	2	0	0	0	0	17	0
2024	0	0	0	2	1	3	5	10	6	1	0	0	28	1
2023	0	1	0	0	0	7	4	2	2	3	0	0	19	0
2022	0	1	0	1	1	2	5	4	0	0	0	0	14	0
2021	0	0	0	0	2	1	8	3	1	0	1	0	16	0
2020	0	0	0	0	0	2	1	1	2	1	0	1	8	0
2019	0	0	0	1	1	4	11	4	9	1	1	0	32	0
2018	0	0	0	1	3	4	9	5	3	1	0	0	26	0
2017	0	0	1	0	2	8	9	9	1	0	0	0	30	1
2016	0	0	2	0	1	2	12	7	3	0	1	0	28	0
2015	0	0	0	0	0	1	8	12	1	0	1	0	23	0
Avg.	0.00	0.18	0.36	0.55	1.27	3.55	7.00	5.36	2.55	0.64	0.36	0.09	2191	0.18

Pedestrian Collisions

	January	February	March	April	May	June	July	August	September	October	November	December	Total	Fatal
2025	0	0	0	0	0	4	7	0	0	0	0	0	11	0
2024	0	0	1	1	0	3	9	6	5	0	0	1	26	2
2023	0	0	0	0	2	4	13	2	3	3	1	0	28	0
2022	0	2	2	1	3	8	6	4	0	1	0	0	27	2
2021	0	0	0	2	1	4	5	3	5	2	0	0	22	0
2020	1	0	0	0	2	3	6	6	5	2	0	0	25	1
2019	0	0	0	0	3	6	3	4	5	0	0	0	21	1
2018	1	1	0	0	0	6	6	7	6	2	0	2	31	1
2017	0	0	0	0	3	5	13	3	0	2	0	0	26	2
2016	1	0	0	0	2	2	8	8	3	0	0	1	25	1
2015	0	0	0	0	2	4	4	1	6	0	0	0	17	0
Avg.	0.27	0.27	0.27	0.36	1.64	4.45	7.27	4.00	3.45	1.09	0.09	0.36	23.55	0.91

Scooter Collisions (including E-Scooters)

	January	February	March	April	May	June	July	August	September	October	November	December	Total	Fatal
2025	0	0	0	0	4	12	14	8	0	0	0	0	38	0
2024	0	1	0	0	2	5	11	6	3	1	0	2	31	0
2023	0	0	0	0	2	1	2	1	3	2	0	0	11	0
Avg.	0.00	0.33	0.00	0.00	2.67	6.00	9.00	5.00	2.00	1.00	0.00	0.67	26.67	0.00

Last Updated: 8/20/2025

MEETING ADJOURNMENT:



Town of Ocean City, Maryland
Bicycle & Pedestrian Advisory Committee (BPAC)
Meeting Minutes

There being no further business to discuss, a motion was made by Joe Kurtz to adjourn the meeting. Seconded by Joe Marx. None opposed. The meeting was adjourned at 3:19PM.

If there are any corrections to the Meeting Minutes, please notify the author within seven (7) calendar days. The next meeting is planned to be held on Wednesday, September 17 2025.

Best Regards,
Sergeant Nathan Kutz
Ocean City Police Department | Town of Ocean City



TOWN OF OCEAN CITY

The White Marlin Capital of the World

Agenda Item # 5.C
Council Meeting August 26, 2025

TO: The Honorable Mayor, Council President and Members of Council
THRU: Terence J. McGean, PE, City Manager
FROM: Hal Adkins, Director of Public Works
RE: Change in state law regarding bicycles on sidewalks
DATE: August 21, 2025

ISSUE(S): Currently, Maryland state law prohibits bicycles on sidewalks unless specifically allowed by the local jurisdiction. This past legislative session, the law was changed to allow bicycles on sidewalks unless prohibited by the local jurisdiction. The new law becomes effective on October 1, 2025

SUMMARY: Currently, Maryland state law prohibits bicycles on sidewalks unless specifically allowed by the local jurisdiction. In Ocean City, bicycles are currently only allowed on the sidewalk on the west side of Philadelphia Ave between Somerset St and South First street . This is because that sidewalk is wide enough to safely accommodate both pedestrians and bikes. Bicycles are currently prohibited on all other sidewalks. The Police Department does use sound judgment enforcing the current law, for instance we do not issue citations for small children riding on the sidewalk.

This past legislative session, the state law was changed to allow bicycles on sidewalks unless prohibited by the local jurisdiction. The new law becomes effective on October 1, 2025. The Ocean City Bicycle and Pedestrian Advisory Committee (BPAC), the Police Commission, and staff have discussed this law change. Due to the fact that most sidewalks in Ocean City are only 5' wide and contain many obstructions such as utility poles and signs, and given that most sidewalks in Ocean City have a high volume of pedestrian traffic, and given the fact that the state law definition of bicycles also includes ebikes and electric scooters; BPAC, Police Commission and staff all feel it is unsafe to allow bicycles on Ocean City sidewalks. Therefore we recommend that bicycles should remain prohibited on city sidewalks except for two locations:

- The west side of Philadelphia Ave between Somerset and South First Street where the sidewalk is wide enough to safely accommodate bikes and pedestrians.
- The short section of sidewalk on Northbound Coastal Highway between 59th and 64th street where the bus/bike lane is interrupted due to the RT 90 intersection.

In order to address other or future locations where the City may wish to allow bikes on sidewalks, the recommendation is to draft an ordinance to prohibit bikes on sidewalks except in areas allowed by a resolution of the City Council.

As they do currently, the Police Department will continue to use sound judgment in the enforcement of the prohibition.

FISCAL IMPACT: None

RECOMMENDATION: Direct the City Solicitor to:

1. Draft an ordinance to prohibit bicycles on sidewalks except for areas approved by a resolution of the Mayor and City Council.
2. Draft a resolution to allow bicycles on the sidewalk on Northbound Coastal Hwy between 59th and 64th Streets and on the west side of Philadelphia Ave between Somerset and South First Street.



More Livable Community for Residents

ALTERNATIVES: Allow bicycles on all sidewalks
Allow bicycles on additional sidewalks beyond the two locations noted.

RESPONSIBLE STAFF: Police Chief Ray Austin
Capt Dennis Eade
Lt Allen Hawk
Sgt Nathan Kutz
Public Works Director Hal Adkins
City Solicitor Heather Stansbury
Deputy City Manager JR Harmon

COORDINATED WITH: Ocean City Bicycle and Pedestrian Advisory Committee (BPAC)
Police Commission.

ATTACHMENT(S): 1. Ch_558_hb0375T.pdf
2. Vehicle Chart.pdf

Chapter 558

(House Bill 375)

AN ACT concerning

**Bicycles, Play Vehicles, and Unicycles – Authorizations and Requirements
(Jay’s Law)**

FOR the purpose of authorizing a person to ride a bicycle, play vehicle, or unicycle on a sidewalk or sidewalk area unless prohibited by local ordinance; requiring a person riding a bicycle, play vehicle, or unicycle on a sidewalk or sidewalk area or in or through a crosswalk to yield the right-of-way to a pedestrian or a person riding on an electric personal assistive mobility device; and generally relating to riding bicycles, play vehicles, and unicycles.

BY repealing and reenacting, without amendments,
Article – Transportation
Section 21–1103(a)
Annotated Code of Maryland
(2020 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,
Article – Transportation
Section 21–1103(b) and 21–1202(b)
Annotated Code of Maryland
(2020 Replacement Volume and 2024 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Transportation

21–1103.

(a) Except as provided in subsection (b), (c), or (d) of this section, a person may not drive any vehicle on a sidewalk or sidewalk area unless it is a permanent or authorized temporary driveway.

(b) (1) For the purposes of this subsection, “bicycle” does not include “moped”, as defined in § 11–134.1 of this article.

(2) [Where allowed] **UNLESS PROHIBITED** by local ordinance, a person may ride a bicycle, play vehicle, or unicycle on a sidewalk or sidewalk area.

(3) In a place where a person may ride a bicycle on a sidewalk or sidewalk area, a person may also ride a bicycle from the curb or edge of the roadway in or through a

crosswalk to the opposite curb or edge of the roadway.

21-1202.

(b) (1) Subject to paragraphs (2) [and], (3), AND (4) of this subsection, a person has the rights and is subject to the restrictions applicable to pedestrians under this title while the person is lawfully operating a bicycle, play vehicle, or unicycle:

(i) On a sidewalk or sidewalk area; or

(ii) In or through a crosswalk.

(2) At an intersection, a person operating a bicycle, play vehicle, or unicycle is subject to all traffic control signals, as provided in §§ 21-202 and 21-203 of this title.

(3) A PERSON OPERATING A BICYCLE, PLAY VEHICLE, OR UNICYCLE ON A SIDEWALK OR SIDEWALK AREA OR IN OR THROUGH A CROSSWALK SHALL YIELD THE RIGHT-OF-WAY TO A PEDESTRIAN OR A PERSON RIDING ON AN ELECTRIC PERSONAL ASSISTIVE MOBILITY DEVICE.

[(3)] (4) Section 21-506 of this title does not apply to a person operating a bicycle, play vehicle, or unicycle.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2025.

Approved by the Governor, May 13, 2025.



2025 Vehicle Guide



	Bicycle	Moped	Electric Bicycle (Generally)	E-Bike Class I	E-Bike Class II	E-Bike Class III	Scooter	Electric Low Speed Scooter	Motor Scooter	EPAMD	Electric Motorcycle	Motorcycle	Autocycle	Motorized Minibike	Low Speed Vehicle	Golf Cart	All Terrain Vehicle
Code Section	TA §11-104	TA §11-134.1	TA §11-117.1	TA §11-117.1(b)(1)	TA §11-117.1(b)(2)	TA §11-117.1(b)(3)	TA §11-154.1	TA §11-117.2	TA §11-134.5	TA §21-101(j)	TA §11-136	TA §11-136	TA §11-103.4	TA §11-134.4	TA §11-130.1	None	TA 11-103.3
Power	Pedal Only	Pedal with motor assist	Pedal with electric assist	Pedal with electric assist, no throttle	Pedal with electric assist + Electric throttle	Pedal with electric assist, no throttle	Human power only	Electric	Gas Engine	Electric	Electric	Motor	Motor	Motor	Electric	Electric	Motor
Characteristics	2 or 3 wheels, one at least 14 in diameter. Human powered only.	2 or 3 wheels. Pedal drive with gas motor assistance.	2 or 3 wheels. Pedal drive with electric motor assistance. Assistance stops at 20 or 28 mph based on class.	2 or 3 wheels. Max speed 20 MPH	2 or 3 wheels. Max Speed 20 MPH	2 or 3 wheels. Max Speed 28 MPH	2 wheels, handlebar, and platform for operator. Push power only.	2 wheels, handlebar, and platform for operator. Electric and human power combination. Max speed 20 mph	Seat for operator. Step-through chassis. 50cc or less engine power.	2 side by side wheels. Self balancing. Electric powered. Max speed 15 mph	Motor power. Seat or Saddle for the rider. 2 or 3 wheels. Designed to go over 35mph	Motor power. Seat or Saddle for the rider. 2 or 3 wheels. Designed to go over 35mph	3 wheels (2 front 1 rear). Steering mechanism. Permanent non-straddle seats. Pedals for acceleration and braking.	2 or 3 wheels. Does not fall under any other definitions.	4 wheel vehicle designed with max speed between 20 and 25 mph (NOT A GOLF CART)	4 wheel vehicle. Does not meet equipment standards for Low Speed Vehicle.	Off-Highway use only, 3+ low-pressure tires, handlebars or steering wheel
Defined as:	Bicycle	Bicycle	Bicycle	Bicycle	Bicycle	Bicycle	Play Vehicle	Bicycle	Motor Scooter	Pedestrian	Motorcycle	Motorcycle	Motorcycle	Motor Vehicle	Motor Vehicle	Motor Vehicle	Motor Vehicle
Vehicle?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Motor Vehicle?	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Titled?	No	Yes	No	No	No	No	No	No	Yes	No	Yes	Yes	Yes	No	Yes	No	Yes per TA 13-104
Registered?	No	Yes	No	No	No	No	No	No	Yes	No	Yes	Yes	Yes	No	Yes	No	No, unless hwy use (TA 13-401)
Drivers License?	No	Yes, or moped permit	No	No	No	No	No	No	Yes, or moped Permit	No	Yes, Class M	Yes, Class M	Yes	No	Yes	No	No, unless hwy use (TA 16-101(a)(2)), < 16 accompanied by licensed adult
Insurance?	No	Yes	No	No	No	No	No	No	Yes	No	Yes	Yes	Yes	No	Yes	No	No, unless hwy use (TA 17-102)
Safety Equipment?	Helmet if under 16 years old	Helmet and eye protection or windshield	Helmet if under 16 years old	Helmet if under 16 years old	Helmet if under 16 years old	Helmet if under 16 years old	Helmet if under 16 years old	Helmet if under 16 years old	Helmet and eye protection or windshield	None	Helmet and eye protection	Helmet and eye protection	Helmet unless cabin is enclosed with hard top. Seatbelts Required	No	Seatbelts Required	None	None
Public Roads?	Not on roadway with Speed Limit over 50 mph unless bike lane provided	Not on roadway with Speed Limit over 50 mph unless bike lane provided	Not on roadway with Speed Limit over 50 mph unless bike lane provided	Not on roadway with Speed Limit over 50 mph unless bike lane provided	Not on roadway with Speed Limit over 50 mph unless bike lane provided	Not on roadway with Speed Limit over 50 mph unless bike lane provided	No	Not on roadway with Speed Limit over 50 mph unless bike lane provided	Not on roadway with Speed Limit over 50 mph unless bike lane provided	Not on roadway unless no sidewalk or where Speed Limit over 30	Yes	Yes	Yes	No	Not on roadways with Speed Limit over 30 mph	No	Ony on specifically designated roadways.
Road Position	Extreme right w/exceptions (21-1205)	Extreme right w/exceptions (21-1205)	Extreme right w/exceptions (21-1205)	Extreme right w/exceptions (21-1205)	Extreme right w/exceptions (21-1205)	Extreme right w/exceptions (21-1205)	N/A	Extreme right w/exceptions (21-1205)	Extreme right w/exceptions (21-1205)	Extreme right w/exceptions (21-1205)	Same as other MVs	Same as other MVs	Same as other MVs	N/A	Extreme right w/exceptions (21-1205)	N/A	No, unless hwy use. Then, extreme Right w/excep. (21-1205)
Allowed on Boardwalk	Yes	No per LO 90-193	Depends, see LO 90-193	Yes	No per LO 90-193	No per LO 90-193	No per LO 90-193	No per LO 90-193	No per LO 90-193	Yes	No per LO 90-193	No per LO 90-193	No per LO 90-193	No per LO 90-193	No per LO 90-193	No per LO 90-193	No per LO 90-193
Allowed on Sidewalk	If allowed by local authority	No	If allowed by local authority	If allowed by local authority	If allowed by local authority	If allowed by local authority	Yes	No	No	Yes	No	No	No	No	No	No	No
Lighting Required	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes, if used on hwy (TA 22-201.1)
Ride with traffic	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes, if used on hwy
Obey Traffic Signals	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes, if used on hwy

Ocean City Police | Traffic Safety Unit | EDIT 8/8/2025

Contact: PoliceTrafficSafetyUnit@oceancitymd.gov | 410-723-6610



TOWN OF OCEAN CITY

The White Marlin Capital of the World

Agenda Item # 5.D
Council Meeting August 26, 2025

TO: The Honorable Mayor, Council President and Members of Council
FROM: Terence J. McGean, PE, City Manager
RE: Regulation of electric scooters.
DATE: August 21, 2025

ISSUE(S): The proliferation of electric scooters in Ocean City and related safety concerns.

SUMMARY: The use of two wheel, stand up electric scooters on streets within Ocean City has increased significantly over the past 3 years. This year there was a serious accident involving a scooter being driven on the Rt 50 Bridge and there have been other collisions involving scooters on Coastal Highway and Baltimore Ave. State law classifies "low speed electric scooters" as a bicycle, which allows their operation on roads with speed limits under 50 mph. Similar to bicycles, the scooters must obey all traffic laws and the Ocean City Police Department does enforce that.

Under current state law a local jurisdiction may:

- Enforce traffic violations for scooters
- Regulate/Prohibit scooter rentals
- Regulate/Prohibit scooters on **city** streets

Under current state law a local jurisdiction **may not** prohibit or adopt stricter regulations for scooters on **State** roads beyond state law.

City staff believes that the high speed, instability, and low visibility of these devices makes them unsuitable for operation on Coastal Highway, Baltimore Ave, and Philadelphia Ave. Each of these roads have very high traffic volumes. Coastal Highway and Philadelphia Ave both have a combined bike/bus lane. This combined lane is already congested with conventional bicycles and ebikes. Allowing additional forms of transportation to use this lane increases the likelihood of serious accidents.

FISCAL IMPACT: None

RECOMMENDATION: Direct the Mayor, City Solicitor, and staff to work with MML on changes to state law to allow local jurisdictions to regulate or prohibit the use of electric scooters and similar devices on state roads.



More Livable Community for Residents

ALTERNATIVES:

1. Do not pursue a state law change, prohibit scooters on city streets.
2. Pursue a state law change for Ocean City only.

RESPONSIBLE STAFF:

City Manager Terence McGean
Deputy City Manager JR Harmon
City Attorney Heather Stansbury
Chief Ray Austin
Capt Dennis Eade
Lt. Allen Hawk
Sgt Nathan Kutz

COORDINATED WITH:

Not Applicable

ATTACHMENT(S):

1. Md. Transportation Code Ann. _ 11-104.Pdf
2. Md. Transportation Code Ann. _ 21-1205.1.Pdf
3. Vehicle Chart.pdf

Md. Transportation Code Ann. § 11-104

*** Current through legislation effective July 1, 2025, of the 2025 Regular Session of the General Assembly. ***

Michie's™ Annotated Code of Maryland > **Transportation (Titles 1 — 27)** >
Title 11. Vehicle Laws — Definitions; General Provisions. (Subts. 1 — 2) > **Subtitle 1.**
Definitions. (§§ 11-101 — 11-178)

§ 11-104. Bicycle.

“Bicycle” means:

- (1) A vehicle that:
 - (i) Is designed to be operated by human power;
 - (ii) Has two or three wheels, of which one is more than 14 inches in diameter; and
 - (iii) Has a drive mechanism other than by pedals directly attached to a drive wheel;
- (2) An electric bicycle;
- (3) A moped; or
- (4) An electric low speed scooter.

History

An. Code 1957, art. 661/2, § 1-104; 1977, ch. 14, § 2; 1978, ch. 328; [2010, ch. 518](#); [2014, chs. 294, 392](#); [2019, ch. 227](#).

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Md. Transportation Code Ann. § 21-1205.1

*** Current through legislation effective July 1, 2025, of the 2025 Regular Session of the General Assembly. ***

Michie's™ Annotated Code of Maryland > *Transportation (Titles 1 — 27)* >
Title 21. Vehicle Laws — Rules of the Road. (Subts. 1 — 14) > *Subtitle 12. Operation of Bicycles and Play Vehicles. (§§ 21-1201 — 21-1213)*

§ 21-1205.1. Bicycles, motor scooters, and EPAMDs prohibited on certain roadways and highways; speed limit.

(a)

(1) Notwithstanding any other provision of this title, a person may not ride a **bicycle** or a motor scooter:

(i) Except as provided in paragraph (2) of this subsection, on any roadway where the posted maximum speed limit is more than 50 miles per hour; or

(ii) On any expressway, except on an adjacent **bicycle** path or way approved by the State Highway Administration, or on any other controlled access highway signed in accordance with § 21-313 of this title.

(2) If a person is lawfully operating a **bicycle** or a motor scooter on a shoulder adjacent to a roadway for which the posted maximum speed limit is more than 50 miles per hour, the person may enter the roadway only if:

(i) Making or attempting to make a left turn;

(ii) Crossing through an intersection; or

(iii) The shoulder is overlaid with a right turn lane, a merge lane, a bypass lane, or any other marking that breaks the continuity of the shoulder.

(b)

(1) Where there is not a bike lane paved to a smooth surface, a person operating a **bicycle** or a motor scooter may use the roadway or the shoulder.

(2) Where there is a bike lane paved to a smooth surface, a person operating a **bicycle** or a motor scooter shall use the bike lane and may not ride on the roadway, except in the following situations:

(i) When overtaking and passing another **bicycle**, motor scooter, pedestrian, or other vehicle within the bike lane if the overtaking and passing cannot be done safely within the bike lane;

(ii) When preparing for a left turn at an intersection or into an alley, private road, or driveway;

(iii) When reasonably necessary to leave the bike lane to avoid debris or other hazardous condition; or

(iv) When reasonably necessary to leave the bike lane because the bike lane is overlaid with a right turn lane, merge lane, or other marking that breaks the continuity of the bike lane.

(3) A person operating a **bicycle** or a motor scooter may not leave a bike lane until the movement can be made with reasonable safety and then only after giving an appropriate signal.

(4) The Department shall adopt regulations pertaining to this subsection, including a **definition** of "smooth surface".

§ 21-1205.1. Bicycles, motor scooters, and EPAMDs prohibited on certain roadways and highways; speed limit.

(c) A motor scooter may not be operated at a speed in excess of 30 miles per hour.

(d) Notwithstanding any other provision of this title, a person may not operate an EPAMD on any roadway where there are sidewalks adjacent to the roadway or the posted maximum speed limit is more than 30 miles per hour.

(e) An EPAMD may not be operated at a speed in excess of 15 miles per hour.

(f) Notwithstanding any other provision of this title, a personal delivery device, as defined in § 21-104.5 of this title, may not travel on any roadway where there are sidewalks or a shoulder adjacent to the roadway or the posted maximum speed limit is more than 35 miles per hour.

History

An. Code 1957, art. 66½, § 11-1205.1; 1977, ch. 14, § 2; ch. 543, § 2; 1983, ch. 108, § 2; [1995, ch. 495, § 2](#); [2001, ch. 557](#); [2002, ch. 546](#); [2010, ch. 518](#); [2014, ch. 514](#); [2019, ch. 8](#); [2021, ch. 351, § 1](#).

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End of Document



2025 Vehicle Guide



	Bicycle	Moped	Electric Bicycle (Generally)	E-Bike Class I	E-Bike Class II	E-Bike Class III	Scooter	Electric Low Speed Scooter	Motor Scooter	EPAMD	Electric Motorcycle	Motorcycle	Autocycle	Motorized Minibike	Low Speed Vehicle	Golf Cart	All Terrain Vehicle
Code Section	TA §11-104	TA §11-134.1	TA §11-117.1	TA §11-117.1(b)(1)	TA §11-117.1(b)(2)	TA §11-117.1(b)(3)	TA §11-154.1	TA §11-117.2	TA §11-134.5	TA §21-101(j)	TA §11-136	TA §11-136	TA §11-103.4	TA §11-134.4	TA §11-130.1	None	TA 11-103.3
Power	Pedal Only	Pedal with motor assist	Pedal with electric assist	Pedal with electric assist, no throttle	Pedal with electric assist + Electric throttle	Pedal with electric assist, no throttle	Human power only	Electric	Gas Engine	Electric	Electric	Motor	Motor	Motor	Electric	Electric	Motor
Characteristics	2 or 3 wheels, one at least 14 in diameter. Human powered only.	2 or 3 wheels. Pedal drive with gas motor assistance.	2 or 3 wheels. Pedal drive with electric motor assistance. Assistance stops at 20 or 28 mph based on class.	2 or 3 wheels. Max speed 20 MPH	2 or 3 wheels. Max Speed 20 MPH	2 or 3 wheels. Max Speed 28 MPH	2 wheels, handlebar, and platform for operator. Push power only.	2 wheels, handlebar, and platform for operator. Electric and human power combination. Max speed 20 mph	Seat for operator. Step-through chassis. 50cc or less engine power.	2 side by side wheels. Self balancing. Electric powered. Max speed 15 mph	Motor power. Seat or Saddle for the rider. 2 or 3 wheels. Designed to go over 35mph	Motor power. Seat or Saddle for the rider. 2 or 3 wheels. Designed to go over 35mph	3 wheels (2 front 1 rear). Steering mechanism. Permanent non-straddle seats. Pedals for acceleration and braking.	2 or 3 wheels. Does not fall under any other definitions.	4 wheel vehicle designed with max speed between 20 and 25 mph (NOT A GOLF CART)	4 wheel vehicle. Does not meet equipment standards for Low Speed Vehicle.	Off-Highway use only, 3+ low-pressure tires, handlebars or steering wheel
Defined as:	Bicycle	Bicycle	Bicycle	Bicycle	Bicycle	Bicycle	Play Vehicle	Bicycle	Motor Scooter	Pedestrian	Motorcycle	Motorcycle	Motorcycle	Motor Vehicle	Motor Vehicle	Motor Vehicle	Motor Vehicle
Vehicle?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Motor Vehicle?	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Titled?	No	Yes	No	No	No	No	No	No	Yes	No	Yes	Yes	Yes	No	Yes	No	Yes per TA 13-104
Registered?	No	Yes	No	No	No	No	No	No	Yes	No	Yes	Yes	Yes	No	Yes	No	No, unless hwy use (TA 13-401)
Drivers License?	No	Yes, or moped permit	No	No	No	No	No	No	Yes, or moped Permit	No	Yes, Class M	Yes, Class M	Yes	No	Yes	No	No, unless hwy use (TA 16-101(a)(2)), < 16 accompanied by licensed adult
Insurance?	No	Yes	No	No	No	No	No	No	Yes	No	Yes	Yes	Yes	No	Yes	No	No, unless hwy use (TA 17-102)
Safety Equipment?	Helmet if under 16 years old	Helmet and eye protection or windshield	Helmet if under 16 years old	Helmet if under 16 years old	Helmet if under 16 years old	Helmet if under 16 years old	Helmet if under 16 years old	Helmet if under 16 years old	Helmet and eye protection or windshield	None	Helmet and eye protection	Helmet and eye protection	Helmet unless cabin is enclosed with hard top. Seatbelts Required	No	Seatbelts Required	None	None
Public Roads?	Not on roadway with Speed Limit over 50 mph unless bike lane provided	Not on roadway with Speed Limit over 50 mph unless bike lane provided	Not on roadway with Speed Limit over 50 mph unless bike lane provided	Not on roadway with Speed Limit over 50 mph unless bike lane provided	Not on roadway with Speed Limit over 50 mph unless bike lane provided	Not on roadway with Speed Limit over 50 mph unless bike lane provided	No	Not on roadway with Speed Limit over 50 mph unless bike lane provided	Not on roadway with Speed Limit over 50 mph unless bike lane provided	Not on roadway unless no sidewalk or where Speed Limit over 30	Yes	Yes	Yes	No	Not on roadways with Speed Limit over 30 mph	No	Only on specifically designated roadways.
Road Position	Extreme right w/exceptions (21-1205)	Extreme right w/exceptions (21-1205)	Extreme right w/exceptions (21-1205)	Extreme right w/exceptions (21-1205)	Extreme right w/exceptions (21-1205)	Extreme right w/exceptions (21-1205)	N/A	Extreme right w/exceptions (21-1205)	Extreme right w/exceptions (21-1205)	Extreme right w/exceptions (21-1205)	Same as other MVs	Same as other MVs	Same as other MVs	N/A	Extreme right w/exceptions (21-1205)	N/A	No, unless hwy use. Then, extreme Right w/excep. (21-1205)
Allowed on Boardwalk	Yes	No per LO 90-193	Depends, see LO 90-193	Yes	No per LO 90-193	No per LO 90-193	No per LO 90-193	No per LO 90-193	No per LO 90-193	Yes	No per LO 90-193	No per LO 90-193	No per LO 90-193	No per LO 90-193	No per LO 90-193	No per LO 90-193	No per LO 90-193
Allowed on Sidewalk	If allowed by local authority	No	If allowed by local authority	If allowed by local authority	If allowed by local authority	If allowed by local authority	Yes	No	No	Yes	No	No	No	No	No	No	No
Lighting Required	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes, if used on hwy (TA 22-201.1)
Ride with traffic	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes, if used on hwy
Obey Traffic Signals	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes, if used on hwy

Ocean City Police | Traffic Safety Unit | EDIT 8/8/2025

Contact: PoliceTrafficSafetyUnit@oceancitymd.gov | 410-723-6610



TOWN OF OCEAN CITY

The White Marlin Capital of the World

Agenda Item # 5.E
Council Meeting August 26, 2025

TO: The Honorable Mayor, Council President and Members of Council
THRU: Terence J. McGean, PE, City Manager
FROM: Karin Scott, Internal Auditor
RE: Q2 Internal Audit Report
DATE: August 19, 2025

ISSUE(S): Q2 2025 Internal Audit Report: Completed audits, audits underway, procurement card statistics, payroll and other activities.

SUMMARY: Q2 2025 Internal Audit Report:

FISCAL IMPACT: Not Applicable

RECOMMENDATION: None suggested. Defer to Mayor and Council.



Financially Sound Town Government

ALTERNATIVES: Not Applicable

RESPONSIBLE STAFF: Karin Scott, Internal Auditor

COORDINATED WITH: Not Applicable

ATTACHMENT(S):

1. PowerPoint Q2 2025 Qtrly Report MCC.pptx
2. Accounts Payable Review February 2025.docx
3. ProWatch Employee Badge Review March 2025.docx
4. Station 4 OCBP seasonal housing March 2025.docx



Internal Audit Report April – June 2025

Presented By:
Karin Scott, Internal Auditor

Completed Audits

Accounts Payable Statistics:

Department	Invoices prior to PO's
Emergency Services	7
Fire	36
Other	209
Police	93
Public Works	120
Recreation	128
Tourism	205
Total	798



Accounts Payable and Purchase Order Review

- Analyzed Invoice dates compared to Purchase Order dates
 - A total of 6,168 PO's were processed during the review period.
 - There were 798 PO's processed after invoices were received (12.94%).
 - Department Heads were given the directive to obtain purchase orders prior to making purchases, following purchasing policy.
 - This will be reviewed again in FY2026.

Employee Badge Review

- Total active ProWatch badges 1,343.
- Recommended 101 badges to be deactivated.
 - Review of employees completed.
 - Review of Fire and Police volunteers.
 - Review of vendors utilized by Town departments.
- On-going review yearly.

Station 4 Seasonal Housing Review

- Seasonal Housing offered to 3 Beach Patrol employees during the summer of 2024.
- Payment records were reviewed, and one employee did not make a housing payment.
- After requesting the payment, it was received in July 2025.

Audits Underway

Audits and reviews in progress as of the end of June 2025

Impound Lot

Management Review

- Review Policies and Procedures at the Impound Lot and in Police Records
- Review process from tow through release/auction
- Conduct interviews with management and staff



Procurement Card Statistics

Quarter 2 2025

3,009
\$783,123

Transactions and
Total Spend

22
\$83,083

Purchases over
\$2,500

236

Number of
Procurement Cards

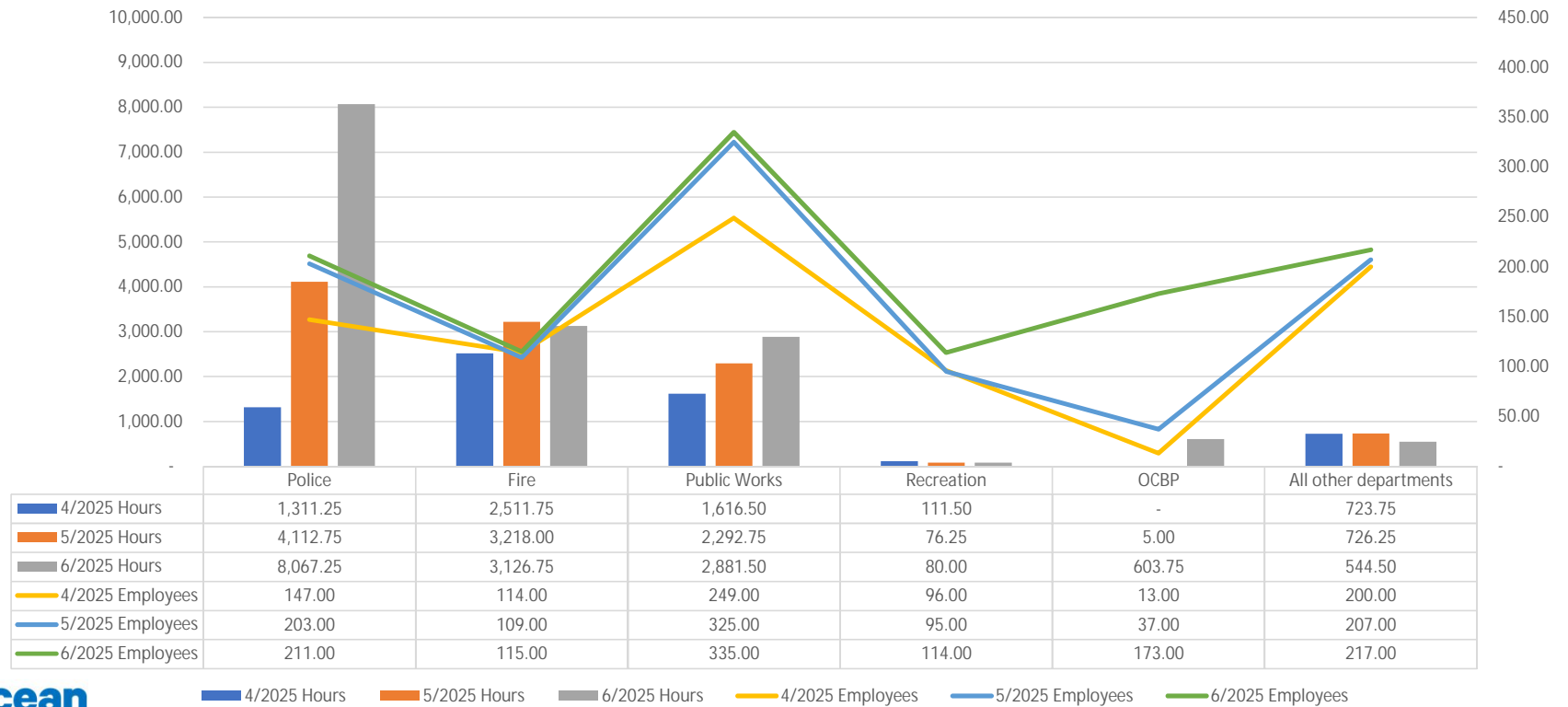
51

Follow-up

- Sales tax paid – 22
- Missing receipts – 6
- Detailed receipts missing – 1
- Warehouse Items purchased - 4
- Other (1 MVA violation, 1 charge disputed, 1 EZ Pass violation, 2 charges paid from shipping tickets, 3 hotel charges for water/snacks, 6 charges for unauthorized travel, 2 charges for FY26 travel in FY25, 1 charge incorrect account, 3 departments submitted without approval/signature) – 5
- Up from 45 in prior quarter

Payroll 2025

Town of Ocean City Overtime Hours vs. Total Employees Quarter 2 2025



Payroll 2024

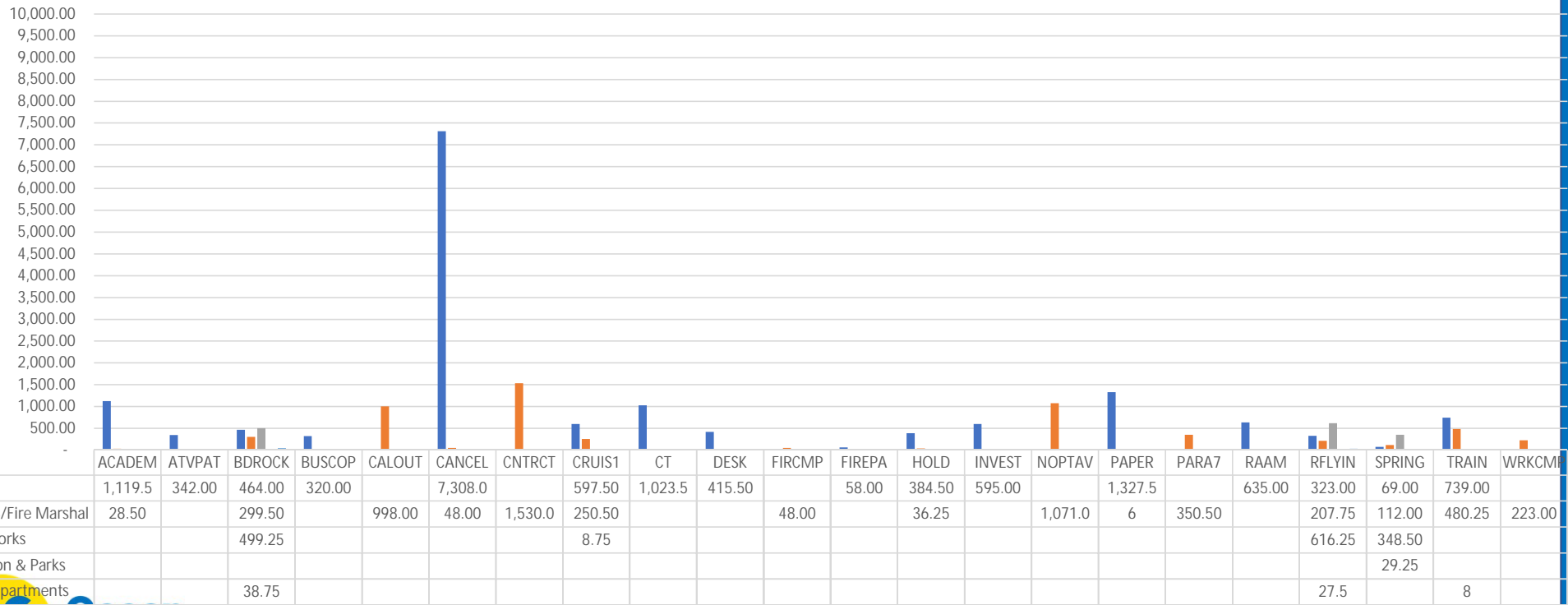
Town of Ocean City Overtime Hours vs. Total Employees Quarter 2 2024



Payroll Overtime Hours Q2 2025

Highest Project Code

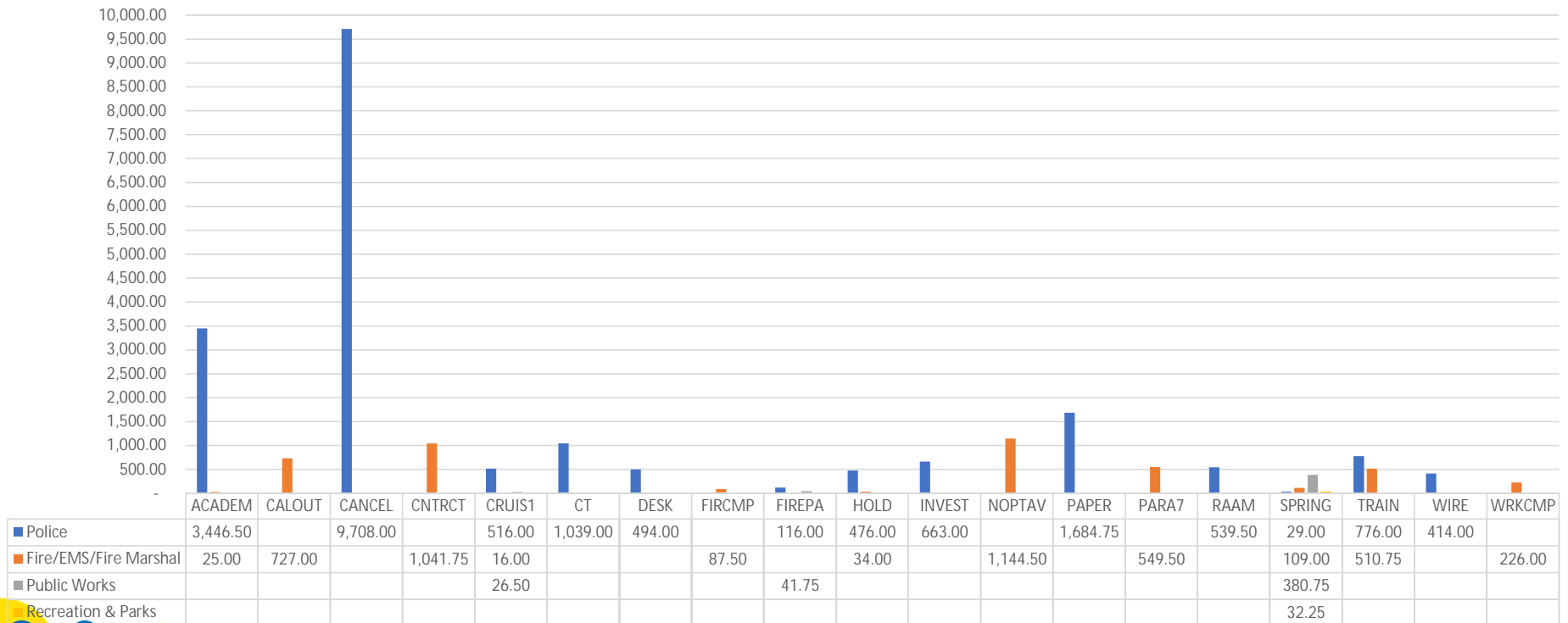
Overtime Hours Q2 2025
by Project Code



Payroll Overtime Hours Q2 2024

Highest Project Code

Overtime Hours Q2 2024
by Project Code



Other Activities

Other

- Unemployment Quarterly Review
- Ticket and Event Pass Quarterly Review

Pension Committee

- General Employee Representative – Quarterly Meeting



Other

- Timekeeping System Workgroup
- OCPD Aladtec scheduling software workgroup

Other

- Comcast Franchise Quarterly Review
- Daily Review of Transportation Daily Cash
- Counterfeit Training for Recreation Staff



Any Questions?



Report: Accounts Payable Review

Date: February 28, 2025

Purpose: Review payables compared to purchase order dates, invoice dates, and receiving dates.

Process:

- Payables were downloaded from a SEQUEL file: POINVDATE. This file included the following information: PO Type, Vendor Number, Vendor Name, Purchase Order Number, Number of Items, PO Date, Invoice Number, Invoice Date, and Receipt Date.
- A calculation of dates was completed. Days from PO to Invoice Date, Days from PO to Receipt Date, and Days from Receipt to Invoice Date.
- Once the days were calculated, the number of days from PO to Invoice Date that were negative indicated that purchase orders were created after the invoice was received.
- The procurement process mandates the use of a purchase order or procurement card for any purchases made by the Town. The rules for purchase orders are found in the Town's Procurement Policy. Generally, the process involves requesting a purchase order, obtaining approval, and then sending it to the vendor to fulfill the order at an agreed-upon price and terms. A purchase order represents an agreement between the parties regarding the order.

Once the order is fulfilled, the vendor sends an invoice for payment. This invoice is received by the department and then processed for payment by the Town's Finance Department. The use of purchase orders and invoices helps to prevent unauthorized or fraudulent purchases.

- The review of the days between purchase orders and invoices showed many invoices received before a purchase order was requested. This goes against the Procurement Policy.
- The City Manager reviewed the spreadsheet created with the Internal Auditor.
- The City Manager presented the information to Department Heads during the 4/3/2025 City Manager meeting. Department Heads were instructed to review the list and ensure that purchase orders were obtained before ordering goods or services. He said he expected the next review to have significantly fewer purchase orders obtained after invoices. The Internal Auditor, Budget Manager, and Finance Director explained the procurement process.
- Payables will be reviewed again in FY2026.

Report submitted by: Karin Scott, Internal Auditor



Report: ProWatch Employee Badge Review

Date: March 17, 2025

Purpose: Review active employee badges.

Process:

- The Director of Information Technology generated a report on all employee badges in the ProWatch system.
- Each badge was reviewed by the Internal Auditor and compared to the AS400 payroll records.
- The Fire Department reviewed Volunteer Fire badges.
- The Police Department reviewed volunteers, special operations, and allied agency badges.
- Public Works reviewed building maintenance badges.
- CenterPlate, MD Stadium Authority, building maintenance, and tourism-related badges were reviewed by Tourism/Convention Center.
- Several badges were recommended to be deactivated by the Internal Auditor. (see spreadsheet)
- ProWatch badges will be reviewed again in FY2026 after the seasonal employees are released from employment.

Report submitted by: Karin Scott, Internal Auditor



Report: OCBP Firehouse Seasonal Housing Review

Date: June 16, 2025

Purpose: Review Station 4 seasonal housing for OCBP Hunter Murphy.

Research Process:

- Fire Chief Bowers offered housing to three OCBP seasonal lifeguards for the summer 2024 season: Michael Furdella, Nicholas Vance, and Hunter Murphy.
- Both Furdella and Vance opted for payroll deduction of the bi-weekly rent.
- The Town paid OCVF and the Paramedic Foundation the rental payments for all three tenants.
- Town records do not show any payments from Murphy.
- Town records do not show any payments deposited from Chief Bowers.
- Hunter Murphy was contacted by the Internal Auditor both via phone and email. There has been no response.
- Fire Chief Bunting contacted Hunter Murphy, and there has been no response.
- No payments were directly made to the Volunteer Fire Company.
- No cash payments were located in the Fire Chief's office.
- There are no records in Chief Bowers' email or computer files to indicate payments received by Hunter Murphy.
- Chief Bunting has deferred the situation to the City Manager.

Station 4 has a bunk room that was offered to house three beach patrol seasonal employees by Fire Chief Bowers in 2023, 2024, and 2025. During the 2024 season, payment records were reviewed. Hunter Murphy did not opt for payroll deduction of the rental payments. Inquiries in the AS400 system for the receipt of rental payments were conducted, and no payment information was located. The Internal Auditor contacted OCBP Lieutenant Ward Kovacs, who was not involved in the rental of Station 4, but was aware that the employees were renting space in the bunk room, but not the specifics of the rental; it was all handled by Chief Bowers.

It appears that payment for the seasonal rental of housing in Station 4 for Hunter Murphy has not been received. The Internal Auditor spoke with Hunter Murphy briefly on Wednesday, May 28, 2025. Mr. Murphy stated that his mother took care of the rent, and he would return the call the next day, which he did not. The Internal Auditor called again, and the call was not answered. A follow-up email was also sent by both the Internal Auditor and Fire Chief Bunting; Mr. Murphy has responded to neither. Fire Chief Bunting has deferred the situation to the City Manager.

The City Manager directed the Internal Auditor to send a letter to Mr. Murphy requesting proof of payment or payment of outstanding rent. In July 2025, a check was received by the Town for payment in full.

Report submitted by: Karin Scott, Internal Auditor



TOWN OF OCEAN CITY

The White Marlin Capital of the World

Agenda Item # 5.F
Council Meeting August 26, 2025

TO: The Honorable Mayor, Council President and Members of Council
THRU: Terence J. McGean, PE, City Manager
FROM: Karin Scott, Internal Auditor
RE: FY 2026 Annual Audit Plan
DATE: August 19, 2025

ISSUE(S): FY 2026 Annual Audit Plan

SUMMARY: FY 2026 Annual Audit Plan: Review of audit plans completed in FY25, FY25 audits in progress, FY26 audit projects, continuous auditing and follow-up, FY27 audits on the horizon.

FISCAL IMPACT: Not Applicable

RECOMMENDATION: Defer to Mayor and Council



Financially Sound Town Government

ALTERNATIVES: Not Applicable

RESPONSIBLE STAFF: Karin Scott, Internal Auditor

COORDINATED WITH: Not Applicable

ATTACHMENT(S): 1. FY 2026 Annual Audit Plan MCC.pptx



FY 2026 Annual Audit Plan

Presented By:
Karin Scott, Internal Auditor

Audit Plans Completed in FY 2025

- Police Confidential Funds
- Fire Assets & Equipment
- Fire Medical Supply & Medication Inventory
- Recreation Program Waivers
- Golf Course Operations
- Recreation Part-time Hiring Process
- Planning & Zoning Primary Residence Incentive Program
- Finance Accounts Payable Timeliness Review
- Information Technology Employee ID Badge Review



Audits in Progress from FY 2025

Impound Lot

Audit Projects for FY 2026

- Convention Center Daily Operations
- Convention Center Box Office Cash Handling
- Parking Revenue
- Transportation Revenue
- Sole Source Contracts
- Procurement Active Vendor Master File
- City-wide Training and Travel
- Fire Overtime
- Employee Sick Leave Usage
- Central Square User Access
- Legal Fees
- Recreation Fee Collection and Skatepark
- Beach Patrol Daily Operations
- Airport Hangar Contracts



Continuous Auditing and Follow-up

- Water Meter Replacement Follow-up
- Transportation Daily Cash Summary
- Payroll Processing
- Procurement Card Transactions/Cardholders
- Quarterly Unemployment
- Comcast Franchise Charges
- Seasonal Employee Housing
- Annual W2 review
- Direct Deposit review
- Accounts Payable Timeliness Review
- Employee ID Badge Review



On the horizon FY 2027

Rental License





Questions?