



State Auditor

Dave Boliek

RAPID RESPONSE SPECIAL REPORT

North Carolina

Office of the State Auditor

Rapid Response Division

1-800-730-TIPS

Updated June 23, 2025

Town of Woodfin

UPDATE: Based on new information the Rapid Response Division received from the Town of Woodfin, this Special Report has been revised. Findings have been adjusted accordingly.

WHY WE CONDUCTED THIS REPORT

The North Carolina Office of the State Auditor (OSA) received an allegation regarding the Town of Woodfin (Town). The tip alleged potential wrongdoing between the Town Manager and the business Equinox Environmental, noting that the Town Manager is married to the company's president and owner, and the company appeared to have been contracted for projects administered by the Town. OSA's Rapid Response Division initiated an investigation into the matter.

OBJECTIVES

Determine if the Town was in violation of any applicable state and federal laws, Town policies and procedures, North Carolina Local Government Commission guidance, and best practices for governments.

WHAT WE FOUND

- Equinox Environmental Consultation & Design, Inc. is a North Carolina corporation with a principal office address located in Asheville, NC.
- Shannon Tuch is the Town Manager for the Town. She was appointed on March 21, 2022, and her husband is the president of Equinox Environmental.

- The Town entered into contracts and projects with Equinox Environmental prior to the hiring of Shannon Tuch as Town Manager and also during her tenure as Town Manager.
- On March 15, 2022, the Town's Board of Commissioners held a closed session meeting to discuss then -incoming Town Manager Shannon Tuch's relationship and potential conflict of interest with Equinox Environmental. The Board's meeting notes, unsealed and made available to the public on May 17, 2022, show the Board discussed Shannon's conflict of interest, determined there was no issue with the Town's ongoing projects with Equinox Environmental, but determined that it would be best practice for another Town administrator to oversee ongoing and future contracts between the Town and Equinox Environmental.
- OSA reviewed seven contracts and change orders involving projects with Equinox Environmental, totaling \$796,492 (see Supporting Documents).
- Prior to the release of OSA's Special Report on May 21, 2025, it does not appear that the Town had adopted a formal written policy for navigating Shannon Tuch's conflict of interest and the Town's ongoing and future contracts with Equinox Environmental other than the guidance provided in the March 15, 2022 meeting notes. Nonetheless, Town employees involved in the administration of contracts with Equinox Environmental appear to have executed the Board's guidance despite the lack of a formally adopted policy on the matter.

NOTE: OSA maintains strict confidentiality when handling personally identifiable and other sensitive information in accordance with State and federal law. OSA takes all necessary precautions to ensure that sensitive information is not compromised or improperly shared. This special report is based on the limited information available to OSA during our investigation and is not exhaustive. This report does not constitute an audit or attestation engagement conducted in accordance with generally accepted government auditing standards.

WHAT WE FOUND

- Specifically, it does not appear that Shannon Tuch has administered any of the contracts entered into between the Town and Equinox Environmental except for a single contract change order she signed on July 16, 2024, after the Town Council approved the change order in open session.
- While Shannon Tuch does not appear to have disclosed her potential conflict of interest to the Board in writing, the absence thereof does not appear to violate N.C.G.S. § 14-234.
- Review of the Town’s Code of Conduct and Ethics, Conflict of Interest and Contracts policies, and Purchasing Manual prior to May 21, 2025 showed there was no direct and specific language regarding duties of Town officials to notify the Town Council of any potential perceived or real conflicts of interest in conducting Town business and how to document such a notification.

RECOMMENDATIONS

OSA made no findings with respect to the contractual agreements at issue, and it appears the Town took sufficient steps to address the conflict of interest. However, in order to improve, be more fully transparent, and clearly communicate the Town’s Conflict of Interest Policy, which states “It is in the interest of Town of Woodfin Officials to strengthen trust and confidence in each other, to expedite resolution of problems, to mitigate the effect and to minimize organizational and individual stress,” the following recommendations are being made:

- Town Council and/or Town administration should consider revising and updating the Town’s Code of Conduct and Ethics, Conflict of Interest and Contracts policies, and Purchasing Manual to include sections where Town Council members, Town employees, and contractors are required to formally notify in writing to the Town administration and/or the Town Council of any potential conflicts of interest regarding Town business and operations.
- Town Council and/or Town administration should formally document in writing the process and procedures in place to conduct any Town business involving Town Manager Shannon Tuch and Equinox Environmental.

Since the release of OSA’s initial Special Report on May 21, 2025, it appears that the Town has taken steps to adopt these recommendations.

SUPPORTING DOCUMENTS

Original design contract for Riverside Park <i>This contract was awarded prior to Shannon Tuch’s hiring as Town Manager, but is included because this is the original design contract for Riverside Park and is separate from the contract with Baker Grading and Landscaping for construction.</i>	
Date	3/19/2021
Staff Involved	Previous Town Administrator
Process	RFQ
Contract Amount	\$447,538
Signed/approved by:	Town Council/Mayor

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SUPPORTING DOCUMENTS (CONTINUED)

Change order 1: Riverside Park	
Date	5/2/2022
Staff Involved	Special Projects Consultant
Process	Change Order
Contract Amount	\$86,971
Signed/approved by:	Special Projects Consultant

Change order 2: Riverside Park	
Date	2/14/2023
Staff Involved	Special Projects Consultant
Process	Change Order
Contract Amount	\$45,545
Signed/approved by:	Special Projects Consultant

Silver-Line Park Maintenance	
Date	2/14/2023
Staff Involved	Special Projects Consultant
Process	Mini-Brooks exemption
Contract Amount	\$115/hr.; \$175/hr.
Signed/approved by:	Special Projects Consultant

Silver-Line Park Master Plan	
Date	10/5/2023
Staff Involved	Project and Facilities Director
Process	RFQ and Interview
Contract Amount	\$62,082
Signed/approved by:	Project and Facilities Director

On-Call Service Agreement (Helene Response)	
Date	3/5/2025
Staff Involved	Project and Facilities Director
Process	Mini-Brooks Exemption
Contract Amount	NTE \$20,000
Signed/approved by:	Project and Facilities Director

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SUPPORTING DOCUMENTS (CONTINUED)

Riverside Park Design Addendum <i>This addendum is for the services referenced in the Baker Grading contract for construction administration of the Riverside Park project. The contract was formally approved by Town Council authorizing the Town Manager to sign the contract amendment.</i>	
Date	7/16/2024
Staff Involved	Project and Facilities Director Special Projects Consultant
Process	Change Order/Council Approval
Contract Amount	\$115,138 \$19,218
Signed/approved by:	Town Council/Shannon Tuch

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