

OREGON GOVERNMENT ETHICS COMMISSION

PRELIMINARY REVIEW

CASE NO: 25-354EAM

DATE: August 21, 2025

RESPONDENT: NAFISA, Fai, Member, Board of Directors, Clean Water Services

COMPLAINANT: KNUDSEN, Dirk

RECOMMENDED ACTION: Move to Investigate Possible Violations of ORS 244.040(1) and ORS 244.120(2)

PRELIMINARY REVIEW: The Oregon Government Ethics Commission (Commission) received a signed written complaint on June 24, 2025 from Dirk Knudsen. Dirk Knudsen alleges that Nafisa Fai, a Member of the Board of Directors (Board) for Clean Water Services and Commissioner for the Washington County Board of Commissioners, may have violated Oregon Government Ethics Law by using her official position for personal financial gain. (#PR1). Receipt of the complaint was acknowledged in letters to Dirk Knudsen and Nafisa Fai. Nafisa Fai was provided with the information received in the complaint and invited to provide any information that would assist the Commission in conducting this preliminary review.

Background Information

Clean Water Services (CWS) is a County Service District under ORS Chapter 451 and a special district under ORS Chapter 198 that serves as a separately managed and financed public utility in Washington County. The CWS Board of Directors is made up of five elected officials who also serve as Washington County Commissioners. Nafisa Fai has served as a CWS Board Member since 2021. (#PR2).

Complaint

In the complaint, Dirk Knudsen states that Nafisa Fai, as a Board Member for the CWS

1 Board of Directors, travelled on behalf of CWS and accepted unauthorized travel
2 benefits from CWS. The complaint states that CWS has about 600,000 consumers in
3 Washington County, and taxpayers have no choice but to fund CWS. It states that
4 ratepayers have had their fees increased, yet the CWS Board and other CWS
5 executives have participated in wasteful and reckless spending. The complaint states
6 that CWS Board Members may have accepted frivolous travel benefits including luxury
7 accommodation, 5-star dining, gifts, and other travel expenses when they traveled on
8 behalf of CWS. (#PR1).

9
10 The complaint states that Nafisa Fai may have traveled to Toronto, Canada to attend
11 the 2024 International Water Association (IWA) Congress for CWS. The complaint
12 asserts that the CWS Board Members were not qualified to participate in this event, and
13 more relevant executives from appropriate divisions within CWS could have been
14 utilized. The complaint also states that CWS executives may have used elaborate
15 travel, meals, and gifts to obtain the goodwill of the CWS Board Members in an attempt
16 to influence policies and obtain budgetary increases. (#PR1).

17
18 The complaint states that CWS Board Members, who also serve as Washington County
19 Commissioners, may have been required to follow Washington County rules and
20 policies on travel and spending, and it alleges that the Board Members may have
21 exceeded the allowances provided by both CWS and Washington County policies,
22 rules, and procedures. (#PR1).

23 24 Response

25 Nafisa Fai responded to the complaint via an email to Commission staff on July 7, 2025.
26 In the response, Nafisa Fai stated that the only trip she participated in, on behalf of
27 CWS, was a 2024 trip to the IWA Conference in Toronto. She stated that CWS covered
28 the costs of her flight, hotel, and conference registration. She explains that she
29 personally covered expenses for meals, ground transportation and parking. Nafisa Fai
30 provided receipts and travel expense records for her CWS travel. (#PR3).

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1 2024 Toronto - IWA Conference

2 Commission staff received a copy of the Travel/Training Reconciliation Form submitted
3 to CWS by Nafisa Fai on September 17, 2024 for the 2024 Toronto IWA Conference.
4 Nafisa Fai also provided copies of her flight itinerary, hotel receipt, conference
5 schedule, and per diem rate calculations for this trip. (#PR4).

6
7 The records provided indicate that CWS purchased Nafisa Fai an economy seat on an
8 Alaska Airlines flight to Toronto on August 10, 2024, and an economy seat on a Delta
9 Airline return flight on August 16, 2024. The records indicate that Nafisa Fai stayed at
10 the Toronto Marriott hotel while attending the IWA Conference. The IWA Conference
11 itinerary indicates that the Toronto Marriott hotel is approximately a 10-minute walk to
12 the convention center, and the hotel invoice indicates that CWS may have received a
13 group rate when they booked her room. (#PR4).

14
15 The Travel/Training Reconciliation Form submitted by Nafisa Fai indicates that she
16 received partial per diem for seven days based on the US Department of State GSA per
17 diem rate for the area. The conference itinerary identifies two restaurant reservations for
18 CWS attendees' meals: Jump Restaurant and Evviva; however, it is unclear whether
19 Nafisa Fai may participated in those meals. The Travel/Training Reconciliation Form
20 submitted by Nafisa Fai indicates that she received per diem for days/times when meals
21 were not provided by CWS. (#PR4).

22
23 An email sent from Nafisa Fai to CWS Travel Coordinator Karen Weidel on August 1,
24 2024 indicates that she asked for her Alaska Airlines reward number to be added to the
25 ticket for her flight to Toronto booked by CWS. Karen Weidel, Corporate Travel
26 Management for CWS, confirmed that the number was added. (#PR4).

27
28 General Expenses

29 CWS provided multiple spreadsheets of general expenses for the 2021, 2022, 2023, and
30 2024 fiscal years. Based on the information in the spreadsheets, CWS appears to have
31 reimbursed her travel expenses to the 2024 Toronto IWA Conference. (#PR5, #PR6).

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1 CWS Travel Policy

2 Commission staff reviewed the CWS Travel Policy, which became effective March 1,
3 2012. Based on the information obtained by Commission staff, this travel policy appears
4 to be the travel policy in effect for all times relevant to this preliminary review. The CWS
5 travel policy states, "It is the District's intent to reimburse *employees* for reasonable,
6 ordinary, and necessary business expenses incurred when traveling on behalf of the
7 District, in accordance with this Policy." [emphasis added.] Although the CWS travel
8 policy appears to specifically address employee travel, it does not appear to apply to
9 Board Members' travel. (#PR7).

10
11 Washington County Travel Policy

12 Washington County Policy 402 - Travel and Business Expense, amended on May 18,
13 2021, states that the policy applies to anyone traveling on County business unless
14 otherwise directed by contract. The policy further clarifies that the elected officials are
15 employees of the County for income tax purposes and, for this reason, are subject to this
16 policy. The policy states that travel and business expenses must be "reasonable and
17 necessary." It states that individuals traveling on County business are expected to be
18 prudent and only incur costs they normally would incur if traveling at their own expense,
19 and expenses solely for the benefit of an individual are not allowable. (#PR8).

20
21 Tanya Ange Phone Call

22 On August 6, 2025 Commission staff spoke with Tanya Ange, County Administrator for
23 Washington County. Tanya Ange explained that CWS used to be a component unit of
24 Washington County, but CWS has since separated from Washington County. She
25 explained that, although the same individuals serve both governing bodies, they function
26 as separate entities with their own organizational structures and policies. (#PR9).

27
28 Tanya Ange explained that Washington County Commissioners need to apply for
29 approval of County training and travel through the County Administrative Office to ensure
30 that there are funds available in the budget for their travel, and to ensure that it is within
31 policy. She explained that the County is not responsible for reviewing CWS travel. She
32 stated that, when on County business, the Commissioners are subject to County policy,

1 and when on CWS business, they are subject to CWS policy. (#PR9).

2
3 Statutory Authority.

4 ORS 198.190 allows for special districts, including CWS, to provide compensation of up
5 to \$50 per day to its Board Members. Additionally, ORS 192.190 authorizes “[t]he
6 governing body may provide reimbursement of a member for actual and reasonable
7 traveling and other expenses necessarily incurred by a member in performing official
8 duties.” In this instance, the CWS Board of Directors is the “governing body.”

9
10 **RECOMMENDATION:** Nafisa Fai is a Board Member for Clean Water Services and has
11 held that position since 2021. As such, she is a public official, as defined in ORS
12 244.020(15), and therefore subject to Oregon Government Ethics Law.

13
14 Use of Office

15 ORS 244.040(1) prohibits a public official from using or attempting to use the official’s
16 position to obtain a financial benefit or avoid a financial detriment for the official, a
17 relative or household member, or a business with which any of them are associated, if
18 the financial benefit or avoidance of detriment would not otherwise be available but for
19 the public official’s holding the official position. This provision applies regardless of
20 whether the public official had disclosed an actual or potential conflict of interest. [ORS
21 244.040(8)]. ORS 244.040(2)(a) provides an exception that permits public officials to
22 accept any part of an official compensation package without violating ORS 244.040(1).
23 ORS 244.040(2)(c) provides an exception that permits public officials to accept
24 reimbursement of expenses without violating ORS 244.040(1).

25
26 The term “official compensation package” is defined as the wages and other benefits
27 provided to a public official. To be part of a public official’s “official compensation
28 package,” the wages and benefits must have been specifically approved by the public
29 body in a formal manner, such as through a union contract, an employment contract, or
30 other adopted personnel policies that apply generally to employees or other public
31 officials. The term also includes the direct payment of a public official’s expenses by the
32 public body, in accordance with the public body’s policies. [OAR 199-008-0005(3)].

1 The term “reimbursement of expenses” is defined to mean the payment by a public
2 body to a public official serving that public body, of expenses incurred in the conduct of
3 official duties on behalf of the public body. Any such repayment must comply with any
4 applicable laws and policies governing the eligibility of such repayment. [OAR 199-008-
5 0005(4)].

6
7 ORS 198.190 authorizes the “governing body” of a special district to provide
8 “reimbursement of a member for actual and reasonable traveling and other expenses
9 necessarily incurred by a member in performing official duties.” The District could
10 choose to implement this statutory authority through the adoption of a Board policy.
11 Alternatively, each individual member, after traveling, could submit their request for
12 reimbursement to the Board (after declaring an actual conflict) and have the Board vote
13 on the reimbursement request from that individual member. It does not appear that the
14 Board has a Board travel policy that applies to Board Members. The CWS travel policy
15 appears to only apply to *employees*.

16
17 The Washington County travel policy states that County officials, including elected
18 officials, are subject to the policy while traveling on County business; however, when
19 Nafisa Fai traveled to the 2024 IWA Conference, it appears that she was traveling on
20 CWS business, not County business. Therefore, it does not appear that County policy
21 applies to her CWS travel. As a special district under Oregon law, CWS is a separate
22 legal entity from the County, with its own governing body. Therefore, it appears only the
23 CWS policies apply when CWS Board Directors are traveling on CWS business.

24
25 It appears CWS does not have a travel policy applicable to Board Members, does not
26 have compensation agreements with the Board Members, nor does CWS compensate
27 Board Members directly for their Board service. If this case moves to investigation, the
28 Commission would need to determine whether Nafisa Fai was authorized to be
29 reimbursed for travel under OAR 199-008-0005(4) which requires “[a]ny such
30 repayment [of expenses] must comply with any applicable laws and policies governing
31 the eligibility of such repayment.” In this instance ORS 198.190 authorizes the
32 “governing body” that is the Board to authorize reimbursement of expenses for CWS

1 Board Members. Given that it does not appear the Board adopted a travel policy
2 applicable to Board Directors, nor does it appear that Nafisa Fai presented her requests
3 for reimbursement to the Board to be approved, it appears Nafisa Fai may have used
4 her position to gain a financial benefit without authorization by law. Given the unknown
5 nature of the reimbursement process, additional information is needed to determine if
6 Nafisa Fai used her official position to gain reimbursement of expenses without legal
7 authority from the Board.

8
9 The information available in this preliminary review indicates that Nafisa Fai traveled on
10 behalf of CWS, in her role as CWS Board Member to attend the 2024 IWA Conference
11 in Toronto. The records indicate that CWS booked Nafisa Fai an economy round trip
12 flight to Toronto, and Nafisa Fai requested that CWS include her personal frequent flyer
13 number on her airline reservation to obtain frequent flyer rewards. Frequent flyer
14 rewards do not appear to be included in Nafisa Fai's official compensation package.
15 Because the information appears to indicate that Nafisa Fai received the personal
16 benefit of frequent flyer awards by including her personal rewards number on a flight for
17 CWS business, it appears that she may have received a financial benefit which would
18 not have been available to her except for her official position. Thus, it appears that she
19 may have violated ORS 244.040(1).

20
21 CWS records received by Commission staff do not indicate that Nafisa Fai participated
22 in other travel on behalf of CWS, nor does the information indicate that she received
23 other reimbursements. It appears that Nafisa Fai stayed at one of the designated
24 conference hotels, the Toronto Marriott, when she traveled to the 2024 IWA Conference,
25 and CWS may have received discounted a group rate.

26
27 Based on the information available, it appears that Nafisa Fai may have used her official
28 position as a CWS Board Member to obtain a personal financial benefit of frequent flyer
29 rewards when she booked a flight for CWS business, and she may have received a
30 financial benefit which would not have been available to her but for her official position.
31 Because that benefit was not included in her official compensation package, it appears
32 that she may have violated ORS 244.040(1).

1 Conflict of Interest

2 A conflict of interest means any action, decision, or recommendation by a person acting
3 in their capacity as a public official, the effect of which would be (actual conflict of
4 interest) or could be (potential conflict of interest) to the private financial benefit or
5 detriment of the person, their relative, or a business with which they or their relative are
6 associated. [ORS 244.020(1) and ORS 244.020(13)].

7
8 When met with a conflict of interest, an elected public official, such as Nafisa Fai, must
9 make a public announcement of the nature of the conflict of interest. If met with a
10 potential conflict of interest, this announcement must be made prior to taking any action
11 on the matter in the capacity of a public official. If met with an actual conflict of interest,
12 the public official must make the public announcement and then refrain from
13 participating as a public official in any discussion, debate or vote on the matter out of
14 which the actual conflict of interest arises, unless their vote is necessary to meet a
15 minimum vote requirement, in which case the public official may vote but may not
16 participate in any discussion or debate on the matter. [ORS 244.120(2)].

17
18 As noted above, it appears that Nafisa Fai, acting in her role as CWS Board Member,
19 traveled to the Toronto, Canada in August of 2024. It appears that Nafisa Fai may have
20 included her personal frequent flyer number to earn traveler rewards when she
21 arranged flights for CWS business. The information does not indicate that Nafisa Fai
22 disclosed her conflict of interest. Thus, it appears that Nafisa Fai may have failed to
23 comply with the conflict of interest disclosure requirements in ORS 244.120(2)As noted
24 above, ORS 198.190 authorizes “the governing body” of CWS to choose to reimburse
25 members for reasonable travel. Given the unknown nature of the reimbursement
26 process, additional information is needed to determine if Nafisa Fai disclosed conflicts
27 of interest when seeking reimbursement.

28
29 Based on the information available in this preliminary review, there appears to be a
30 substantial, objective basis to believe that Nafisa Fai may have violated the prohibited
31 use of office provisions and the conflict of interest provisions in Oregon Government
32 Ethics Law.

1 The Government Ethics Commission should move to investigate whether Nafisa Fai
2 may have violated ORS 244.040(1) and ORS 244.120(2). (Motion 4).

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15 **ASSOCIATED DOCUMENTS:**

16 #PR1 Original Complaint received 6/24/2025

17 #PR2 Clean Water Services Board of Directors accessed 7/8/2025

18 #PR3 Nafisa Fai Response dated 7/7/2025

19 #PR4 Travel Form and Receipts received on 7/7/2025

20 #PR5 PR5 Nafisa Fai CWS AP Invoice Distributions on 7/17/2025

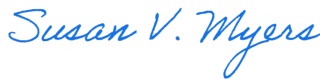
21 #PR6 CWS PCard Expenses for Fiscal Year 2022

22 #PR7 Travel Policy effective 3/1/2012

23 #PR8 Washington County Travel Policy amended 5/18/2021

24 #PR9 Memo of Phone Call with Tanya Ange on 080625

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REVIEWED BY *Sean T. Brady*, Senior Assistant Attorney General Authorized on 8/21/2025