

BEFORE THE OREGON GOVERNMENT ETHICS COMMISSION

1. **PURPOSE:** The purpose of this stipulated final order is to release, settle and compromise any and all claims, allegations and charges that have been asserted by the Oregon Government Ethics Commission (Commission) in the above-referenced case against Marc Thalacker.
2. **JURISDICTION:**
 - A. Marc Thalacker is a Board member and Secretary/Treasurer on the Board of Directors (Board) and prior District Manager for the Three Sisters Irrigation District (TSID). As such, he is a public official, as defined in ORS 244.020(15), and therefore subject to Oregon Government Ethics Law found in ORS Chapter 244.
 - B. On July 11, 2025, the Commission considered information in the preliminary review phase of case #25-212EJS and acted to find cause to open an investigation of this matter.
3. **APPLICABLE LAW:**
 - A. A public official is met with a conflict of interest when, acting in their official capacity, they participate in any action, decision or recommendation the effect of which would be (actual conflict of

interest) or could be (potential conflict of interest) to the private financial benefit or detriment of the public official, their relative, or any business with which they are associated. [ORS 244.020(1) and (13)].

B. When met with a conflict of interest, a public official serving as an employee, such as Marc Thalacker prior to January 2024, must provide written notification to his appointing authority of the nature of the conflict of interest and request that the appointing authority dispose of the matter giving rise to the conflict of interest. The appointing authority can dispose of the matter by designating an alternate employee for the matter or by directing the public official on how to handle the matter. [ORS 244.120(1)(c)].

C. When met with a conflict of interest, a public official serving on a board or commission, such as Marc Thalacker since January 2024, must announce publicly the nature of the conflict of interest. If met with a potential conflict of interest, this announcement must be made prior to taking any action on the matter in the capacity of a public official. If met with an actual conflict of interest, the public official must refrain from participating as a public official in any discussion, debate, or vote on the matter out of which the actual conflict of interest arises, unless their vote is necessary to meet a minimum vote requirement, in which case the public official may vote but may not participate in any discussion or debate on the matter. [ORS 244.120(2)].

D. ORS 244.040(1) prohibits a public official from using or attempting to use their official position or office to obtain a financial gain or avoid a financial detriment for themselves, their relatives or

household members, or any business with which they or their relatives or household members are associated, if the financial gain or avoidance of financial detriment would not otherwise be available but for the public official's holding their official position or office.

4. STIPULATED FACTS

- A. Marc Thalacker was the District Manager for TSID from 1997 until January 2024 when he became an elected Board member for the TSID Board of Directors. Marc Thalacker currently serves on the TSID Board as the Secretary/Treasurer.
- B. Marc Thalacker owns a 12.5% interest in Krah USA LLC, a High-Density Polyethylene (HDPE) pipe manufacturing business based in Prineville, Oregon. He acquired his ownership interest in Krah USA LLC in December 2022. Marc Thalacker was a paid consultant to Krah USA LLC from 2020 until 2023, at which time he became a manager, focusing on pipe production and equipment installation. Thus, at all relevant times, Krah USA LLC was a business with which Marc Thalacker was associated, first as an agent/employee and then as an owner.
- C. On February 22, 2022, TSID entered into an intergovernmental agreement (IGA) with the Lone Pine Irrigation District (LPID) to complete a modernization project of LPID irrigation infrastructure. Marc Thalacker, acting in his role as District Manager, signed the IGA on behalf of TSID. The plans for the LPID irrigation modernization project specify that LPID would use HDPE pipe, a product made locally by Krah USA LLC. The IGA did not provide a direct financial benefit to Krah USA LLC, and Krah USA LLC was

not selected as the primary contractor for this project. However, TSID had a history of purchasing materials for piping projects from Krah USA LLC, and in 2023 and 2024, TSID made multiple purchases for culvert pipe from Krah USA LLC to be used for the LPID project.

- D. When Marc Thalacker took action to sign and approve the IGA, he was met with a potential conflict of interest because his actions could have had, and did ultimately result in, a financial benefit to a business with which he was associated. Marc Thalacker did not provide written notification of his conflict of interest to his appointing authority prior to signing the IGA.
- E. In April 2022, as District Manager for TSID, Marc Thalacker arranged for Krah USA LLC to transport concrete forms to a TSID worksite. TSID paid Krah USA LLC \$1,209.96 for the cost of the labor. In April 2023, Marc Thalacker contacted Krah USA LLC to rent a generator for TSID. TSID paid Krah USA LLC \$400.00 for the four-day generator rental.
- F. Marc Thalacker was met with actual conflicts of interest when he arranged for Krah USA LLC to provide TSID with transportation service in April 2022 and equipment rental in April 2023. Marc Thalacker did not provide written notification of his conflicts of interest to his appointing authority prior to making business arrangements with Krah USA LLC.
- G. In November, 2022, April 2024, December 2024, and January 2025, Marc Thalacker contacted TSID employees, asking them to work on short-term projects for Krah USA LLC. Per Marc

Thalacker's requests, TSID employees completed work on behalf of Krah USA LLC, they were paid by TSID, and Krah USA LLC reimbursed TSID for their labor. On each of these occasions, Krah USA LLC financially benefitted by obtaining labor directly from TSID when Marc Thalacker arranged for TSID employees to complete work for the business.

- H. In 2024, TSID paid Krah USA LLC for labor and materials on multiple occasions, totaling \$12,277.40. Specifically, TSID paid Krah USA LLC \$4,490.08 on March 26, 2024, \$2,229.92 on March 29, 2024, \$4,634.00 on September 25, 2024, and \$923.40 on December 21, 2024. As a Board member, Marc Thalacker voted to approve each of these payment invoices at the TSID Board's monthly meetings.
- I. When Marc Thalacker took action to approve TSID monthly invoices which included payments to Krah USA LLC, he was met with actual conflicts of interest. Marc Thalacker did not publicly announce his actual conflicts of interest, nor did he refrain from voting on the matters.

5. CONCLUSION/VIOLATION

- A. The actions described in paragraphs 4(C), (D), (E) and (F) constitute three violations of ORS 244.120(1)(c), and the actions described in paragraphs 4(H) and (I) constitute one violation of ORS 244.120(2)(b) with three equivalent actions.
- B. The actions described in paragraph 4(C), (E), and (G) constitute three violations of ORS 244.040(1) with three equivalent actions.

But for Marc Thalacker's official position with TSID, Krah USA LLC would not have had the same opportunities to obtain a financial benefit; thus, Marc Thalacker engaged in prohibited uses of office.

- C. The results of the Commission investigation, if submitted through exhibits and testimony at a contested case hearing, would establish a preponderance of evidence in support of a post-hearing order to find three violations of ORS 244.120(1)(c), one violation of ORS 244.120(2)(b) with three equivalent actions, and three violations of ORS 244.040(1) with three equivalent actions.

6. TERMS OF SETTLEMENT:

The parties agree as follows:

- A. Marc Thalacker has indicated that he wishes to conclude this matter by agreeing to the terms and conditions in this stipulated final order without completing the investigative phase.
- B. Marc Thalacker will pay a civil penalty, as authorized by ORS 244.350(1)(a), in the amount \$4,000.00 in order to settle and compromise this matter. Payment in full will be made payable to the Commission no later than March 7, 2026.
- C. The Commission releases, settles and compromises any and all claims, allegations and charges which have been asserted by the Commission in the above-referenced case against Marc Thalacker.
- D. Marc Thalacker will initiate no claims, litigation or other action against the Commission as a result of these proceedings.

6. REVIEW BY COUNSEL:

All of the parties hereto acknowledge that this agreement has been entered into by their own free will and with full understanding of the contents herein. Each of the parties further acknowledges that each has had the opportunity to seek the advice of counsel in reviewing and entering this agreement.

7. EFFECT:

This agreement is subject to the final approval of the Commission. Once approved, this agreement shall be the final disposition of the matter and shall be binding upon all parties.

By signing this agreement, Marc Thalacker agrees to waive his right to a contested case hearing as provided in ORS Chapter 183 and ORS 244.370. This order shall be the final order and all information in the Commission files on this matter shall become part of the record.

By signing this agreement, Marc Thalacker agrees to waive his right to obtain judicial review of this order as provided in ORS 183.482.

IN WITNESS WHEREOF, the parties have entered into and signed this stipulated final order on the dates set forth below.

Signed by:



Respondent: Marc Thalacker

December 30, 2025

Date

Shenoa Payne, Chairperson
Oregon Government Ethics Commission

Date