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The former San Diego Association of Governments accounting official who was fired after exposing errors in the state Route 125 toll-collection system has been awarded millions of dollars as a result of her treatment.

In a decision released Monday, an arbitration judge said the regional planning agency known as SANDAG must pay plaintiff Lauren Warrem just over \$2.5 million.

“The evidence was clear that Ms. Warrem suffered both economic and emotional injuries caused by the termination,” wrote Jeffrey Barton, the retired judge who acted as the arbitrator in the case.

San Diego attorney Joshua Gruenberg said he was grateful for the arbitration finding. He said SANDAG refused to settle the case for anything more than \$200,000.

“We’re grateful for the arbitrator’s thoughtful decision recognizing that Lauren was retaliated against for doing her job with honesty and integrity,” he said. “This ruling restores her reputation and reaffirms that transparency isn’t just good practice — it’s the law.”

SANDAG, [a \\$1.3 billion public agency](#), issued a statement saying it had no immediate comment on the ruling.

The cost of the 2023 decision to fire Warrem is likely to climb higher. The ruling from Barton also provides for attorneys’ fees that will be determined in the coming weeks and months.

Warrem worked for SANDAG for more than a decade before leaving the organization and then returning in mid-2023 as the director of accounting and finance. But [she was fired](#) some five months later, after raising questions in a meeting with auditors about the veracity of the toll-collection data.

Weeks later, the long-running failures of the ETAN Tolling Technology software burst into public view, and SANDAG board members publicly chastised their senior executives for withholding key information from them.

Warrem sued the planning agency two years ago, claiming she was wrongly retaliated against for reporting mistakes in how drivers were being charged to use the South Bay tollway.

SANDAG records and audits later found the system [inaccurately billed](#) drivers who used the tollway over several years, and SANDAG accountants were unable to rely on the data to reconcile their books.

The Warrem lawsuit was moved from San Diego Superior Court into an arbitration proceeding last year.

After reviewing evidence presented by both parties, Barton said there was no question that Warrem had been wronged. He awarded her just over \$760,000 in past and future economic damages and \$1.75 million in non-economic damages.

Warrem was unable to find a similar job in San Diego County. She now works 150 miles from her family and is limited to visiting her children on weekends, the judge noted in his decision.

In her lawsuit, Warrem said she was let go days after she raised questions about the accuracy of the software data in a meeting with auditors.

She alleged that her questions incited her boss, the agency's then-Chief Financial Officer Andre Douzdzian, who berated her and soon approached then-Chief Executive Officer Hasan Ikhata about firing her. Ikhata quickly agreed, she said.

"The timing of the termination just 5 days after meeting, with no investigation, no opportunity for Ms. Warren to discuss the concerns, was also problematic and supports the inference SANDAG did not want her in meetings with the auditors again," Barton wrote.

"If it were purely a performance issue, why was no investigation done?" he asked. "Why was no opportunity given to Ms. Warren to discuss the issues?"

SANDAG publicly cut ties with its former CEO and CFO as well as other top leaders by early last year. Former California Department of Transportation official [Mario Orso took over](#) as chief executive last year.

The agency also cut bait with ETAN Tolling Technology in early 2024, when the board voted to bring in a new toll-collection contractor for the [10-mile stretch](#) of road formerly known as the South Bay Expressway.

Ikhata and other [senior officials were aware](#) of problems with the toll-collection system as early as 2017, records showed. But the officials waited until 2023 to alert the SANDAG board, which is composed of elected officials from San Diego County and its 18 cities.

At Ikhata's final SANDAG board meeting before his December 2023 resignation — barely an hour after he was celebrated for his years of service — the former CEO accepted responsibility for not informing the board sooner.

Over the following weeks and months, virtually all of the senior SANDAG executives left the organization.

The FBI opened a probe into SANDAG business practices early last year, The San Diego Union-Tribune [reported](#), but the investigation was [closed](#) before the end of last year without any criminal charges or public findings.

But the problems Warren exposed two years ago this month have not been fully corrected, at least according to a recent report issued by the SANDAG independent performance auditor.

The September review [criticized the agency](#) for its relationship with HNTB, a national consultant that remains a key SANDAG vendor despite repeated failures, including its lack of project management oversight for the state Route 125 toll system.

"With such a large agency and so many talented people, how did we get here?" Imperial Beach City Councilmember Jack Fisher said in response to those [findings](#). "But I also have to remind myself you can go forward by looking backwards."