

# Environmental and Sustainability Management System (ESMS) Internal Audit

Report #: 2024-01

## Executive Summary

Under clause 9.2 of the ISO 14001:2015 Environmental Standard, organizations that conform to ISO requirements should internally evaluate, through internal audits, if we are still meeting the intended requirements of the standard. This is completed annually at planned intervals to review conformance to the requirements and ensure the management system is being effectively implemented and maintained.

### Audit Objective

Our audit objective was to independently review the agency's processes and compliance with established environmental policies, and procedures under the Environmental & Sustainability Management System (ESMS). Additionally, we ensured that ST Environmental Affairs and Sustainability (EAS) effectively addresses risks and opportunities by integrating environmental management programs into the agency's business processes.

Audit criteria included reviewing processes and programs captured by Sound Transit's Environmental Policy, ESMS manuals, processes, and procedures; along with federal, state, and local requirements. We additionally reviewed conformance to the ISO 14001:2015 standard and reviewed previous internal and external audit results as part of our scope.

The audit period of performance spanned from **May 2023** to **April 2024**.

### Conclusion

From our audit, we found no **(0) findings** of non-compliance and have **two (2) observations;** listed below and discussed in more detail beginning on page 4 of this report.

Summary of results:

Ref #	Description of Issue	Risk Rating
O.1	<i>The Environmental Aspects Matrix should include considerations for any environmental aspects and impacts related to the end of life or disposal of agency assets.</i>	N/A
O.2	<i>Latest review date for ESMS manuals, plans, and procedures should be tracked in a single document and made available to program documentation users.</i>	N/A

# Background

## Environmental Policy, authority, and governance

Sound Transit's Environmental Policy (R2004-06) and Sustainability Initiative (R2007-12) are the foundation for implementing and improving the ESMS and for improving the agency's environmental and sustainability performance.

The ESMS is structured with an executive sponsor who is responsible to advocate and administer the system, to provide resources for implementation, and is accountable for the effectiveness of ESMS.

The ESMS Steering Committee meets as necessary to ensure ESMS is being implemented, managed, and monitored to improve environmental performance.

## Methods of evaluation and verification

To assess compliance during the audit, the auditors completed the following steps:

- Interviewed PEPD staff to verify their understanding of ESMS processes.
- Interviewed other ST Departments that support key ESMS functions.
- Compared agency ESMS related procedures and plans' contents against ISO 14001:2015 requirements.
- Sampled and reviewed records for each audit area to determine if current actions and behaviors are adhering with above procedures, plans and requirements.
- Conducted site visits to observe environmental compliance and mitigation activities.

## Audit Standards

We conducted our internal audit according to Audit Division policies & procedures, which are governed by our Audit Charter; and meet several sets of applicable federal, state, and local auditing standards.

These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our objectives. We believe that the evidence we obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Also, the Audit Division is committed to following best audit practices for conducting internal audits for management standards of excellence, such as ISO. All members on the audit team have completed ISO 14001:2015 Lead auditor training.

## Audit results

The following table summarizes our audit findings and observations under the overarching clauses of the ISO 14001:2015 standard.

This final report reflects the current state of environmental and sustainability management system practices and processes at Sound Transit during the audit period.

ISO 14001 Clause	Number of findings	Number of observations
4.0 – Context of the Organization	0	0
5.0 – Leadership	0	0
6.0 – Planning	0	1
7.0 – Support	0	1
8.0 – Operation	0	0
9.0 – Performance & Evaluation	0	0
10.0 – Improvement	0	0
<b>Totals</b>	0	2

### Audit Phases

Each audit starts by examining the current processes in place relative to (1) laws or regulatory requirements, (2) agency policies and procedures and (3) industry best practices.

The audit “field work” phase then examines the design of the identified controls to determine if the intent meets the regulations, policies, etc. If the controls are designed to adequately mitigate the risk (control environment), we move on to assess the degree to which the controls are mitigating the risk (control activities). Any areas identified where the control environment or activities do not adequately mitigate the identified risk are classified as an exception.

Exceptions are then defined as either findings or observations.

- **Findings** are the results of the evaluation and verification of evidence against audit criteria showing non-compliance with a policy, procedure, manual, standard, or industry best-practice.
- **Observations** are issues that may be compliant with requirements, however, the auditor has determined that the issue poses the potential risks of becoming a finding in the future if recommended changes are not put in place to prevent occurrence.

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# Audit Topics Reviewed

This section of the report encompasses audit areas we reviewed this audit cycle, and are organized by each clause of the ISO 14001:2015 standard:

## a. 4 – Context of the organization:

Clause 4 requires a well-defined scope including identification of relevant internal and external stakeholders. This section also requires methods for ongoing monitoring and evaluation of factors that can impact environmental management system implementation, which can include regulatory requirements, local, regional, or global environmental conditions.

### i. Evidence requested and reviewed:

To evaluate context of how ESMS is organized, the audit team:

- Interviewed staff who are responsible for direction and oversight of ESMS policy, procedures, and processes including:
  - PEPD’s Deputy Executive Director for Environmental Affairs & Sustainability, Director for Environmental Planning, the Acting Deputy Director - Sustainability, and the Environmental Project Specialist.
- Reviewed:
  - The ESMS Manual (dated August 2020), Sound Transit Board Policy R2004-06, ESMS procedures ESMS-03, ESMS-105, tracking matrices for environmental aspects, construction compliance, and facilities compliance. We also sampled various methods for communicating to ESMS stakeholders.

### ii. Section (a) findings:

We found no instances of non-compliance with Clause 4 of the ISO standard.

### iii. Section (b) observations:

There are no observations for Clause 4 of the ISO standard.

## b. 5 – Leadership

Clause 5 requires evidence that top management is committed and supporting the environmental and sustainability program. It requires that agency goals are in alignment with the objectives and that roles and responsibilities for management system implementation are well communicated to staff. Additionally, this clause requires an environmental policy be defined to provide a framework for setting environmental objectives.

### i. Evidence requested and reviewed:

To evaluate leadership commitment, the audit team:

- Interviewed staff responsible for leadership commitment for the environmental and sustainability program including:
  - PEPD Executive Director; PEPD Chief of Staff; Chief Strategic Business Officer; and the Chief of Staff-Communications, Marketing, Engagement.
- Reviewed:
  - 2023-2027 Sound Transit Strategic Plan, Sound Transit Board Policy R2004-06, ESMS-06, samples of outreach materials for external stakeholders and internal communications to ST employees, ESMS training materials, ESMS Manual, ESMS Steering Committee minutes, performance management reports, external and internal audit reports.
- Observed: Environmental Steering Committee meeting on March 4, 2024, which was attended by top management, showing high-level support for environmental objectives. Participants at this meeting, from the manager level or above, represented a wide range of functional areas across the agency.

ii. **Section (a) findings:**

We found no issues of non-compliance with Clause 5 of the ISO standard.

iii. **Section (b) observations:**

There are no observations for Clause 5 of the ISO standard.

**c. 6 – Planning**

Clause 6 requires the establishment of well-defined processes in place to determine whether the environmental management system achieves its intended outcomes through risk identification and analysis. It also requires planning for potential environmental impacts from planned projects and activities, unplanned events, and environmental incidents.

i. **Evidence requested and reviewed:**

To evaluate this clause, the audit team:

- Interviewed staff responsible for planning for potential environmental impacts, risks, and analysis including:
  - Director - Environmental Planning, Director - Environmental Affairs & Sustainability, Acting Director – Sustainability, Sr. Environmental Specialist - Operational Compliance, Sustainability Planner, Manager - Emergency Management, and Sr. Emergency Management Specialist.
- Reviewed:
  - ESMS-02, ESMS-03, ESMS-304, ESMS Manual, Environmental Aspects Matrix, ESMS Steering Committee Minutes (for CY 2023-24), Construction and Facilities

Compliance Matrices, E-Car process, SharePoint repository intranet website, Environmental Commitments tracking system, Sound Transit Progress Report.

- Observed: Hilltop Link Extension (HTLE) emergency full scale exercise (FSE). The drill scenario included a hazardous materials spill requiring incident response. Auditors also performed site visits at Federal Way Link Extension (FWLE) project to observe environmental compliance and mitigation activities.

ii. **Section (a) findings:**

We found no issues of non-compliance with Clause 6 of the ISO standard.

iii. **Section (b) observations:**

O.1 – The Environmental Aspects Matrix should include considerations for any environmental aspects and impacts related to the end of life or disposal of agency assets.

**d. 7 – Support**

Clause 7 requires the organization to ensure that the management system is adequately resourced, including identifying and documenting the competencies and training of staff. Additionally, this clause requires internal and external communication about the management system to internal and external stakeholders and a control process for documented information.

i. **Evidence requested and reviewed:**

To evaluate support processes, the audit team:

- Interviewed staff responsible for resourcing, documenting staff training and competencies, and staff who provide information regarding ESMS communications internally and externally including:
  - Director-Environmental Planning; Director-Environmental Affairs & Sustainability; Director-Environmental Compliance; Acting Director-Sustainability; Sustainability Planner
- Reviewed:
  - ESMS staff training, training records, sample job descriptions, performance management system, learning management system. ESMS procedures (including ESMS-06, ESMS-07, and ESMS-105), 2023 Sound Transit Progress Report, 2023 Annual Sustainability Trends Memo and sample internal and external communications relating to the ESMS.

ii. **Section (a) findings:**

We found no issues of non-compliance with Clause 7 of the ISO standard.

iii. **Section (b) observations:**

O.2 - Latest review date for ESMS manuals, plans, and procedures should be tracked in a single document and made available to program documentation users. Documents without revisions in over a year should include the latest review date or reference to the tracking document.

e. **8 – Operation**

Clause 8 requires formalized plans and processes to address risks and opportunities to meet the environmental objectives. The organization must control planned changes and prepare to mitigate adverse effects of unintended changes. Additionally, processes are required to respond to potential emergency situations.

i. **Evidence requested and reviewed:**

To evaluate the operation clause, the audit team:

- Interviewed staff working to address environmental risks and opportunities. Staff from both Environmental Affairs & Sustainability and from Emergency Management, including:
  - Director-Environmental Compliance; Acting Director-Sustainability; Environmental Project Specialist; Sr. Environmental Specialist-Operational Compliance; Sustainability Planner; Manager-Emergency Management; Sr. Emergency Management Specialist.
- Reviewed:
  - ESMS procedures, facilities compliance matrix, construction compliance matrix, Environmental Corrective Action (E-CAR) system, Change Control Board (CCB) Charter, Spill Response Log, as well as external and previous internal ESMS audit reports.
- Observed:
  - Hilltop Link Extension (HTLE) emergency full scale exercise (FSE). The review included the exercise plan, scenario, and after-action reports.
  - Auditors also performed site visits at Federal Way Link Extension (FWLE) project to observe environmental compliance and mitigation activities.

ii. **Section (a) findings:**

We found no issues of non-compliance with Clause 8 of the ISO standard.

iii. **Section (b) observations:**

There are no observations for Clause 8 of the ISO standard.

**f. 9 – Performance & Evaluation**

Clause 9 requires the organization to monitor, measure, analyze and evaluate its environmental performance. The organization must determine what is measured, the methods employed and when data is analyzed and reported on. Additionally, planned internal audits must be performed to determine if the environmental management system conforms to ISO requirements.

**i. Evidence requested and reviewed:**

To evaluate the monitoring and evaluation of the performance of the management system, the audit team:

- Interviewed staff responsible for management of the system including:
  - PEPD Executive Director PEPD Chief of Staff Chief Strategic Business Officer; Director-Environmental Affairs & Sustainability; Director-Environmental Compliance; Acting Director-Sustainability.
- Reviewed:
  - 2023 Sound Transit Progress Report; ESMS Steering Committee minutes (CY 2023-2024); October 2023 External Recertification Audit Report and 2023 ESMS internal audit report; and ESMS Manual.

**ii. Section (a) findings:**

We found no issues of non-compliance with Clause 9 of the ISO standard.

**iii. Section (b) observations:**

There are no observations for Clause 9 of the ISO standard.

**g. 10 – Improvement**

Clause 10 requires the organization to identify and implement opportunities for improvement of the environmental management system. Corrective actions must be implemented to mitigate non-conformities and to prevent reoccurrence. Finally, this clause requires that mitigations previously implemented must be reviewed for their effectiveness.

**i. Evidence requested and reviewed:**

To evaluate how opportunities for improvement are addressed, including how corrective action plans are developed, addressed, and implemented, the audit team:

- Interviewed staff responsible for acting upon opportunities for the continuous improvement of the management system including:
  - Director-Environmental Affairs & Sustainability; Director-Environmental Compliance; *Acting* Director-Sustainability; Environmental Project Specialist; Manager-Environmental Compliance



- Reviewed:
    - E-CARs process and managed from identification to mitigation, ESMS procedures, CY 2023-2024 ESMS Steering Committee minutes for discussion of actions to be taken on identified opportunities for improvement, October 2023 External Recertification Audit; 2023 ESMS Internal Audit report, February 2024 Management Review PowerPoint presentation for 2023 accomplishments and 2024 and beyond opportunities for continuous improvement.
  - Conducted site visits at FWLE project to observe environmental compliance and mitigation activities. Observed sample construction site mitigations (such as the wheel-wash near WSDOT's Right-of-way (ROW) in Federal Way) as examples of corrective action plan implementation.
- ii. **Section (a) findings:**  
We found no issues of non-compliance with Clause 10 of the ISO standard.
- iii. **Section (b) observations:**  
There are no observations for Clause 10 of the ISO standard.

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# Appendices

## Appendix A: List of interviewed staff

The audit team interviewed the following individuals during their internal audit of the Environmental and Sustainability Management System (ESMS). Staff will be listed by position titles only:

- Sound Transit
  - Executive Director, Planning, Environment & Project Development (PEPD) Department
  - Deputy Executive Director, Environmental Affairs & Sustainability, PEPD Department
  - Chief of Staff – PEPD Department
  - Chief of Staff-Communications, Marketing, Engagement (CME), Director's Office
  - Chief Strategic Business Officer, Strategic Business Services (SBS) Department
  - Director, Environmental Affairs & Sustainability, PEPD Department
  - Director, Environmental Compliance, PEPD Department
  - Director, Environmental Planning, PEPD Department
  - *Acting* Director, Sustainability, PEPD Department
  - Manager, Environmental Compliance, PEPD Department
  - Sustainability Planner, Environmental Affairs & Sustainability, PEPD Department
  - Sr. Environmental Specialist, Environmental Affairs & Sustainability, PEPD Department
  - Environmental Project Specialist, Environmental Affairs & Sustainability, PEPD Department
  - Manager, Emergency Management, Public Safety Division, Safety Department
  - Sr. Emergency Management Specialist, Emergency Management, Public Safety Division, Safety Department

## Appendix B: List of documents and records reviewed

The audit team reviewed the following documents and records during the internal audit:

- **Sound Transit plans and policies**
  - Environmental and Sustainability Management System Manual (August 2020)
  - 2024 Environmental and Sustainability Targets
  - 2019 Sustainability Plan
  - ST Board Policy: Establishing a Sound Transit Environmental Policy (R2004-06)
  - ST Strategic Plan 2023-2027
- **Sound Transit procedures**
  - ESMS Manual and Governing Procedures
  - ESMS Agency Procedures
  - ESMS Internal Procedures
  - Aspects Analysis Matrix
  - Construction Compliance Matrix
  - Facilities Compliance Matrix
  - Spill Response Log
- **Communications and records sampled**
  - ESMSPOL Environmental Policy Poster (sample)
  - ESMS Steering Committee Minutes (2023-2024)
  - ESMS Training Outline (September 2023)
  - Environmental Policy Contract Language (sample)
  - 2022 Sustainability Progress Report
  - ESMS Dashboard Report (sample, 2022 Q4)
  - ST Board of Directors Executive Committee Minutes (August 8, 2023)
  - Management Review PowerPoint (February 2024)
  - ESMS Internal Audit Report (2023)
  - “Protecting the Environment” (sample public outreach mailer)
  - ESMS training materials and LMS recordkeeping (sample)
  - Environmental Commitments Tracking System (sample)
  - E-Car (sample)
  - Job Descriptions (sample)
  - E130 TTX Scenario Worksheet (2019)
  - HTLE FSE Exercise Plan (2023)
  - FWLE Environmental Impact Statement, Section 9 “Comment Summary”  
November 2016

## Sound Transit's Title VI notice of rights

Sound Transit conducts Title VI equity analyses for service and fare decisions to ensure they are made as equitably as possible.

More information on Sound Transit's Title VI notice of rights and the procedures to file a complaint may be obtained by:

- Phone: 888-889-6368; TTY Relay 711;
- Email: [stdiscriminationcomplaint@soundtransit.org](mailto:stdiscriminationcomplaint@soundtransit.org);
- Mailing to Sound Transit, Attn: Customer Service, 401 S. Jackson St. Seattle, Washington 98104-2826; or
- Visiting our offices located at 401 S. Jackson St. Seattle, Washington 98104.

A complaint may be filed directly with the Federal Transit Administration Office of Civil Rights, Attention: Complaint Team, East Building, 5th Floor – TCR, 1200 New Jersey Avenue, SE, Washington, DC 20590 or call 888-446-4511.

### Report Prepared by:

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