

# Environmental and Sustainability Management System (ESMS) Internal Audit

Report #: 2026-04

## Executive Summary

In accordance with Clause 9.2 of the ISO 14001:2015 Environmental Standard, organizations must conduct internal audits at defined intervals to evaluate the performance and effectiveness of their environmental management systems. These audits play a critical role in verifying conformance with ISO requirements and supporting continued compliance with environmental standards.

This audit is completed annually by Sound Transit's Internal Audit team to evaluate compliance with established requirements and to confirm that the environmental management system continues to be effectively implemented and consistently maintained.

### Audit Objective

Our audit objective was to independently review the agency's Environmental & Sustainability Management System (ESMS) conformance with the ISO 14001:2015 standards and ensure the Environmental Affairs and Sustainability (EAS) team effectively manages risks and opportunities by integrating environmental management programs into core business processes.

Audit criteria included processes and programs captured by Sound Transit's Environmental Policy, ESMS manual, processes, and procedures, along with federal, state, and local requirements. As part of our scope, we also assessed the agency's alignment with the ISO 14001:2015 standard and reviewed findings from prior internal and external audit results.

The audit period spanned the timeframe between **June 2025 to May 2026**.

### Conclusion

An internal audit identified **one (1) finding** of non-compliance and **no (0) recommendations**; these are summarized below and discussed in more detail beginning on page 3 of this report.

Summary of results:

Ref #	Title of Issue	Risk Rating
F.1	Approximately 22% (11 of 50) of ESMS Agency Procedures are either overdue or incorrectly tracked for their required three-year review.	4C – Medium

# Background

## Environmental Policy, authority, and governance

Sound Transit's Environmental Policy (R2004-06) and Sustainability Initiative (R2007-12) serve as the foundation for implementing and enhancing the ESMS, as well as driving improvements in the agency's environmental and sustainability performance.

The ESMS requires support from an executive sponsor who advocates for the system, ensures adequate resources for implementation, and is accountable for its overall effectiveness. This responsibility is shared between the Deputy Chief Planning Officer and the Executive Director, Capital Program Delivery.

ESMS Steering Committee meets as needed to oversee the system's implementation, management, and monitoring, helping drive ongoing improvements in environmental performance.

## Methods of evaluation and verification

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

- Interviewed Strategy and Capital Project Development staff to verify their understanding of ESMS processes.
- Compared agency ESMS procedures and plans against ISO 14001:2015, and internal requirements.
- Sampled and reviewed records to assess compliance.
- Conducted site visits to observe environmental compliance and mitigation activities.

## Audit Standards

The Internal Audit Division conducted this internal audit in accordance with Internal Audit Division policies & procedures, which are governed by our Internal Audit Charter; and meet applicable federal, state, and local auditing standards.

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

The Internal Audit Division follows best practices when performing internal audits for management standards like ISO. All team members involved in this audit are ISO 14001:2015 Lead Auditor trained.

## Audit Phases

Each internal 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.

During the audit planning phase, we assess the engagement-specific conditions and risks, informing and confirming the audits’ objectives and scope. Relevant controls to mitigate these risks are reviewed and identified.

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 identified as an exception.

Exceptions are then defined as either findings or recommendations.

- **Findings** are the results of the evaluation and verification of evidence against audit criteria showing non-compliance with a policy, procedure, manual, or standard.
- **Recommendations** 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.

Recommendations will not be assigned a formal “Management Action Plan” during the audit reporting process. However, auditors will continue to advise the responsible parties to consider appropriate actions regarding the recommendations. Submission of a formal response is optional.

**Audit Results**

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

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

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

## 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. 4.0 – Context of the organization

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

Areas subject to review under this section include:

- Understanding the organization and its context
- Understanding the needs and expectations of interested parties
- Determining the scope of the environmental management system

To evaluate, the audit team:

- **Staff Interviews:** Interviewed staff responsible for the direction and oversight of ESMS policy, procedures, and processes. Interviews confirmed that ESMS staff understand internal and external issues that may affect the agency's intended outcomes. Additionally, we met with staff to evaluate the effectiveness of the management system and to assess how the needs and expectations of interested parties are identified and addressed
- **Document Review:** Reviewed evidence to confirm that the agency has identified relevant internal and external issues, including how the needs and expectations of interested parties are determined and communicated. Additionally, verified that the scope of the ESMS is clearly defined, documented within agency and departmental documents and communicated to relevant parties.

#### i. Section (a) findings:

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

#### ii. Section (a) recommendations

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

### b. 5.0 – Leadership

Clause 5 requires evidence that top management is committed and supports 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 the agency's environmental policy be defined and guides the development of environmental goals.

Areas subject to review under this section include:

- Leadership and commitment
- Environmental Policy
- Organizational roles, responsibilities and authorities

To conduct this evaluation, the audit team used the following methods:

- **Staff Interviews:** Met with staff responsible for the leadership, direction, and oversight of the ESMS. Interviews confirmed that management demonstrates commitment to the environmental management system, including establishing and maintaining the environmental policy, integrating ESMS requirements into business processes, and ensuring the availability of necessary resources.
- **Document Review:** Reviewed documented evidence to confirm that ESMS roles, responsibilities, and authorities are clearly defined, assigned, and communicated, and that management evaluates system effectiveness in achieving environmental objectives and addressing interested party needs.

**i. Section (b) findings:**

We found no instances of non-compliance with clause 5 of the ISO standard.

**ii. Section (b) recommendations:**

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

**c. 6.0 – Planning**

Clause 6 requires the establishment of well-defined processes 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.

Areas subject to review under this section include:

- ESMS risk management processes
- Planned environmental objectives

To conduct this evaluation, the audit team used the following methods:

- **Staff Interviews:** Met with staff to verify awareness and understanding of the agency's processes for identifying environmental aspects, compliance obligations, risks and opportunities, and for establishing environmental objectives. Interviews confirmed that staff understand how planning activities are applied and how actions are planned to

address significant environmental aspects, compliance obligations, and identified risks and opportunities.

- **Document Review:** Reviewed documented evidence, including environmental aspects and impacts matrix, compliance obligations procedures, risk and opportunity assessments and environmental objectives. Document review confirmed that the agency has established and implemented documented processes to identify and evaluate significant environmental aspects, compliance obligations, risks and opportunities, and to establish measurable environmental objectives and planned actions in accordance with Clause 6 requirements.

**i. Section (c) findings:**

We found no instances of non-compliance with clause 6 of the ISO standard.

**ii. Section (c) recommendations**

There are no recommendations for Clause 6 of the ISO standard.

**d. 7.0 – Support**

Clause 7 requires the organization to provide enough resources for the management system, and to clearly identify and record staff competencies and training. This clause requires the agency to share information about the management system with both internal and external stakeholders and to have a process in place for managing documentation.

Areas subject to review under this section include:

- Resources
- Competencies
- Awareness
- Communication
- Records Management

To conduct this evaluation, the audit team used the following methods:

- **Staff Interviews:** Met with staff to verify awareness and understanding of ESMS support elements, including competence requirements, awareness of the environmental policy and objectives, and relevant communication processes. Interviews confirmed that personnel are competent for their assigned roles, understand how their activities contribute to the effectiveness of the environmental management system, and are aware of applicable ESMS procedures and documented information relevant to their functions.
- **Document Review:** Reviewed documented evidence, including role descriptions, awareness materials, internal and external communication procedures, and controlled ESMS documented information. Document review confirmed that the organization has established and implemented processes to ensure personnel competence and awareness, defined communication requirements, and maintained documented

information necessary for the effective operation and control of the environmental management system in conformance with Clause 7 requirements.

**i. Section (d) findings:**

**F.1 – Approximately 22% (11 of 50) of ESMS Agency Procedures are either overdue or incorrectly tracked for their required three-year review.**

The ESMS is supported by three sets of procedures: ESMS Agency Procedures, ESMS Governing Procedures, and EAS Internal Procedures. A review of documented information identified that 11 of 50 ESMS Agency Procedures (22%) are past due for their required 3-year review, as required by ESMS 07 (Control of Documents). Additionally, established ESMS recordkeeping and version-control processes were not consistently followed, resulting in inaccurate status reporting of procedures.

This condition indicates that documented information is not being adequately maintained and controlled, resulting in nonconformance with ISO 14001:2015 Clauses 7.5.2 (Creating and Updating) and 7.5.3 (Control of Documented Information), which require that documented information be reviewed, updated as necessary, and controlled to ensure current versions are available and protected from unintended use.

The use of outdated procedures increases the risk that personnel may rely on obsolete information, potentially impacting the effective implementation and control of the Environmental & Sustainability Management System (ESMS).

We recommend that all outdated procedures be reviewed and revised as necessary, with updated revision dates and next scheduled review dates clearly documented in accordance with Clause 7.5 Documented Information.

**ii. Section (d) recommendations:**

There are no recommendations for Clause 7 of the ISO standard.

**e. 8.0 – Operation**

Clause 8 requires the agency to develop plans and processes that address risks and opportunities related to environmental objectives. The agency must manage planned changes, prepare for unexpected changes, and establish processes for responding to emergency situations.

Areas subject to review under this section include:

- Operational planning and control
- Emergency preparedness and response

To conduct this evaluation, the audit team used the following methods:

- **Staff Interviews:** Met with staff to verify the implementation and effectiveness of operational planning and control measures applicable to their functions, including controls associated with significant environmental aspects and compliance obligations. Interviews confirmed that personnel understand and follow established operational procedures, apply controls as intended, and recognize their roles in preventing environmental impacts and responding to abnormal and emergency situations, demonstrating conformance with Clause 8 operational requirements.
- **Document Review:** Reviewed documented evidence, including operational procedures, environmental control measures, and emergency preparedness and response documentation related to significant environmental aspects and compliance obligations. Document review confirmed that emergency response procedures are documented and available, demonstrating conformance with Clause 8 requirements.
- **Field Observation:** Conducted a site visit to observe environmental compliance and mitigation activities at the North Bus Operations and Maintenance Facility (BOMF). We met with staff to confirm environmental controls and management practices align with ISO 14001:2015 principles.

Environmental risks related to soil remediation and water discharge are actively managed through documented procedures, maintained on-site and supported by frequent inspections. Impacted soils are removed and replaced in accordance with strict regulatory standards, while stormwater is managed via retention ponds, filtration systems, and third-party water quality testing prior to discharge to a nearby creek.

Preventive measures, including tire washing, roadway sweeping, and routine walkthroughs, are in place to minimize off-site impacts. Ongoing oversight, regular site visits, and continuous communication between the construction team and Environmental Compliance leadership demonstrate effective environmental management and a commitment to continual improvement.

**i. Section (e) findings:**

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

**ii. Section (e) recommendations:**

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

**f. 9.0 – Performance & evaluation**

Clause 9 requires the agency to monitor, measure, analyze and evaluate its environmental performance. The agency must decide what to measure, how to measure it, and when to analyze and report the data. Further, internal audits must be performed to check whether the environmental management system meets ISO standards.

Areas subject to review under this section include:

- Monitoring, measurement, analysis and evaluation
- Management review

To conduct this evaluation, the audit team used the following methods:

- **Staff Interviews:** Met with staff to confirm alignment with ISO 14001:2015 Clause 9. Personnel interviewed were knowledgeable of their environmental responsibilities, site-specific environmental risks, and applicable controls. Staff were able to describe inspection routines, reporting processes, and communication with Environmental Compliance leadership, supporting effective evaluation of environmental performance. Additionally, we confirmed management reviews of environmental performance are conducted, documented, and reported to identify improvement opportunities and support continual improvement of the environmental management system.
- **Document Review:** Reviewed documented evidence to confirm that monitoring, measurement, and evaluation processes are established and documented. Records reviewed, including monitoring data, inspection reports, internal audits, and management reviews, were current and demonstrated evaluation of compliance obligations and environmental performance, supporting corrective action and continual improvement.

**i. Section (f) findings:**

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

**ii. Section (f) recommendations:**

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

**g. 10.0 – Improvement**

Clause 10 requires the agency to identify and implement way to improve the environmental management system. It also calls for corrective actions to fix any non-conformities and to prevent recurrence. This clause also requires that previously implemented improvements be reviewed and evaluated periodically to ensure their effectiveness within the environmental management system.

Areas subject to review under this section include:

- General
- Nonconformity to corrective action
- Continual improvement

To conduct this evaluation, the audit team used the following methods:

- **Staff Interviews:** Staff interviews confirmed alignment with ISO 14001:2015 Clause 10 requirements. Interviewed personnel demonstrated awareness of processes for

reporting environmental issues, nonconformances, and improvement opportunities. Staff were able to describe corrective action procedures, root cause considerations, and communication pathways used to implement and track improvements. Interviews also confirmed that lessons learned from inspections, incidents, and performance reviews are used to drive corrective actions and support continual improvement of the environmental management system.

- **Document Review:** Documented evidence confirmed that processes and procedures are established and documented for addressing nonconformances, implementing corrective actions, and driving continual improvement. Records reviewed included Environmental and Sustainability Targets, Steering Committee meeting records, and evidence of follow-up and effectiveness review. The documentation demonstrated that environmental issues are formally tracked, root causes are addressed, and improvements are implemented and communicated, supporting ongoing enhancement of the environmental management system.

**i. Section (g) findings:**

We found no instances of non-compliance with Clause 10 of the ISO standard.

**ii. Section (g) recommendations:**

There are no recommendations for Clause 10 of the ISO standard.

## Status of Prior Audit Results

This section outlines the open prior audit findings reviewed during this audit. The table below provides the status, along with relevant details:

Audit Type	Status	Description	Actions Taken	Next Steps
External ISO Surveillance Audit (performed by ERM CVS 2025)	Open	There was no documented evidence determining the root cause of nonconformities captured in the ESMS' Quick-Base Audit Tracker.	Root cause analysis has been added to Quickbase.	Internal communication is needed to reflect the Quickbase update. Estimated completion July 2026

# Appendices

## Appendix A: List of interviewed staff

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

- Sound Transit
  - Deputy Chief Planning Officer, Office of the CEO
  - Deputy Executive Director, Capital Project Development
  - Director, Sustainability, Office of Planning and Development
  - Deputy Director, Sustainability, Office of Planning and Development
  - Director, Environmental Planning, Capital Project Development
  - Director, Environmental Compliance, Capital Project Development
  - Manager, Environmental Compliance, Capital Project Development
  - Senior Environmental Compliance Specialist, Capital Project Development
  - Contractors, PCL Construction

## Appendix B: List of documents and records reviewed

The audit team reviewed the following documents and records during the Environmental Sustainability Management System audit.

- Resolution No. R2007-12: Establishing a Sound Transit Sustainability Initiative
- Executive Order No. 1: Establishing a Sustainability Initiative, July 16, 2007
- Resolution No. R2004-06 Establishing a Sound Transit Environmental Policy
- ESMSPOL: Environmental Policy, Rev 0, May 2004
- Resolution No. R2018-17 State Environmental Policy Acts Rules, June 28, 2018
- ESMS Manual, Rev 05, August 3, 2020
- ESMS-02 2025 Environmental Aspects and Sustainability Opportunities, Rev 08, September 8, 2025
- ESMS-100 Implementing Environmental Commitments, Rev 04.1 August 3, 2020
- ESMS-03 Legal and Other Requirements Procedure, Rev 06, September 13, 2021
- ESMS-05 ESMS Competence, Training and Awareness, Rev 08 September 13, 2021
- ESMS-06 Communication, Rev.08 November 3, 2025
- ESMS-07 Control of Documents, Rev 07 September 13, 2021
- ESMS-09 Emergency Preparedness and Response, Rev 02 August 5, 2019
- ESMS-12 ESMS Nonconformity and Corrective Action and Prevention Action, Rev 09 November 3, 2025
- ESMS-15 ESMS Leadership, Resources, Responsibility and Authority, Rev 05 January 8, 2024
- ESMS-203 Addressing Project Changes that Occur After Completion of Initial Environmental Review, Rev 05 March 6, 2025
- ESMS Steering Committee Meeting Minutes, June 2025 – March 2026
- 2025 Environmental and Sustainability Targets
- 2026 Environmental and Sustainability Targets
- 2025 Aspects Analysis Matrix
- Environmental Snapshot Reports, June 2025 – March 2026
- PCL Construction, Bus Base North Inspection Report, Project # 5701136, April 4, 2026
- Bus Operations & Maintenance Facility (BOMF), Environmental Compliance Manual
- Sound Transit Agency Continuity Plan, Rev 0 January 2026
- Emergency Management, SOP EM08 Emergency Exercise Program Procedure, Rev 3.0 April 2025
- ST Security & Emergency Management Internal Audit Report, Project Code 2025-05
- External Audit Report, ERMCVS Assessment Report, December 1, 2025

## 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:

Deanna Anthony

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Deanna Anthony, Sr. Compliance Auditor

### Reviewed (QA/QC) by:

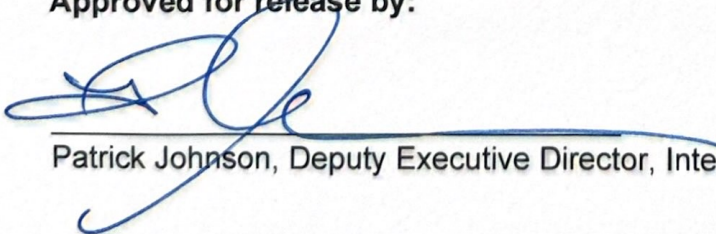
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Jim Ottman, Compliance Audit Manager, Internal Audit Division (Lead Auditor)

### Approved for release by:



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Patrick Johnson, Deputy Executive Director, Internal Audit Division