

November 30, 2000

MEMORANDUM TO: Management Review Board Members:

Carl J. Paperiello, DEDMRS/EDO
William F. Kane, NMSS
Karen D. Cyr, OGC
Paul H. Lohaus, STP

FROM: Lance J. Rakovan, Health Physicist */RA/*
Office of State and Tribal Programs

SUBJECT: DRAFT MINUTES: TENNESSEE MRB MEETING

Attached are the draft minutes of the Management Review Board (MRB) meeting held on November 7, 2000. If you have comments or questions, please contact me at 415-2589.

Attachment:
As stated

cc: L. Edward Nanney, TN
Edgar Bailey, CA

Memo To: Management Review Board Members

November 30, 2000

Distribution:

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STP-AG-26

MINUTES: MANAGEMENT REVIEW BOARD MEETING OF NOVEMBER 7, 2000

These minutes are presented in the same general order as the items were discussed in the meeting. The attendees were as follows:

Carl Paperiello, MRB Chair, EDO
William Kane, MRB Member, NMSS
Dennis Sollenberger, Team Leader, STP
Barbara Hamrick, Team Member, CA
Donald Cool, NMSS
Lance Rakovan, STP
Cardelia Maupin, STP

Paul Lohaus, MRB Member, STP
Karen Cyr, MRB Member, OGC
James Cameron, Team Member, RIII
J. Edward Nanney, TN
Nader Mamish, EDO
Kathleen Schneider, STP

By video conference:

Richard Woodruff, Team Member, RII

Douglas Collins, RII

By telephone:

Elizabeth Ullrich, Team Member, RI
Debra Schultz, TN
John Graves, TN

Edgar Bailey, OAS Liaison, CA
Roger Fenner, TN
Anthony Hogan, TN

1. **Convention.** Carl Paperiello, Chair of the Management Review Board (MRB) convened the meeting at 3:00 p.m. Introductions of the attendees were conducted.
2. **New Business. Tennessee Review Introduction.** Mr. Dennis Sollenberger led the Integrated Materials Performance Evaluation Program (IMPEP) team for the Tennessee review.

Mr. Sollenberger summarized the review and noted the findings. Preliminary work included a review of Tennessee's response to the IMPEP questionnaire. The onsite review was conducted August 21-25, 2000. The onsite review included an entrance interview, detailed audits of a representative sample of completed licensing actions and inspections, and follow-up discussions with staff and management. Because of the significance of the concerns, the team recommended that a program of heightened oversight be implemented to assess the progress of the State in implementing corrective actions. Following the review, the team issued a draft report on September 22, 2000; received Tennessee's comment letter dated October 23, 2000; and submitted a proposed final report to the MRB on October 27, 2000.

Common Performance Indicators. Ms. Hamrick reviewed the common performance indicator, Status of the Materials Inspection Program. Her presentation corresponded to Section 3.1 of the IMPEP report. The review team found Tennessee's performance with respect to this indicator "unsatisfactory," and made one recommendation. The MRB and the State discussed the root causes for the number of overdue inspections, as well as the State's plans for completing the outstanding inspections and preventing overdue inspections in the future. Mr. Nanney commented that a number of the inspections that were overdue at the time of the review have been completed and that the new leadership in the Nashville office will improve the program. Ms. Hamrick discussed the criteria she used in counting overdue inspections. The MRB and the State discussed the amount of time it would take the State to perform all of the outstanding overdue

inspections. Due to the number of inspections completed since the on-site review, Mr. Nanney stated that the unsatisfactory rating was inappropriate for this indicator. time it would take the State to perform all of the outstanding overdue inspections. The MRB and the State discussed program improvements including management oversight and salary increases. The MRB directed that the report reflect the progress the State has made in completing overdue inspections since the on-site review. The MRB agreed that Tennessee's performance met the standard for a "unsatisfactory" rating for this indicator.

Mr. Cameron reviewed the common performance indicator, Technical Quality of Inspections. His presentation corresponded to Section 3.2 of the report. The team found that Tennessee's performance indicator was "unsatisfactory," and made two recommendations. Mr. Cameron noted that although the State's procedures are consistent with NRC's, State inspectors primarily conducted records reviews during accompaniments, and that some inspectors were unfamiliar with the guidance. The State disagreed with the team's findings. The MRB, the State, and the team discussed the inspector accompaniments. Mr. Nanney commented that the State is performing compliance based inspections and that although a considerable amount of time is spent reviewing records, the inspectors conduct inspections that protect public health and safety. The MRB commenced an executive session to discuss this indicator. Upon returning, the MRB unanimously voted to support the "unsatisfactory" rating for this indicator.

Mr. Sollenberger presented the findings regarding the common performance indicator, Technical Staffing and Training. His presentation corresponded to Section 3.3 of the IMPEP report. The team found that Tennessee's performance with respect to this indicator was "satisfactory," and made one recommendation involving a written training program. The MRB, the State, and Mr. Sollenberger discussed staff turnover. Mr. Nanney commented that since the time of the review, there had been four new hires and two staff members left the program. The MRB directed that the report include a new recommendation that inspectors are properly trained in the Division's policies and procedures on the conduct of inspectors. The MRB agreed that Tennessee's performance met the standard for a "satisfactory" rating for this indicator.

Ms. Ullrich presented the findings regarding the common performance indicator, Technical Quality of Licensing Actions. She summarized the findings in Section 3.4 of the report. The team found Tennessee's performance to be "satisfactory" for this indicator and made no recommendations. The MRB directed that the report include language noting that the results from the separate review of the licensing actions for Manufacturing Sciences Corporation performed prior to the IMEP review were considered in the determination of the State's performance for this indication. The MRB agreed that Tennessee's performance met the standard for a "satisfactory" rating for this indicator.

Ms. Hamrick presented findings regarding the final common performance indicator, Response to Incidents and Allegations. As discussed in Section 3.5 of the report, the team found Tennessee's performance relative to this indicator to be "satisfactory with recommendations for improvement" and made three recommendations. The MRB

agreed that Tennessee's performance met the standard for a "satisfactory with recommendation for improvement" rating for this indicator.

Non-Common Performance Indicators. Mr. Woodruff led the discussion of the non-common performance indicator, Legislation and Program Elements Required for Compatibility, which is summarized in Section 4.1 of the report. The team found Tennessee's performance relative to this indicator to be "unsatisfactory," and made one recommendation. Mr. Woodruff noted that the State has not adopted any regulations since the last IMPEP review. The State agreed with the finding and committed to adopting a packet of regulation revisions and to implement those regulations necessary for compatibility. The MRB agreed that Tennessee's performance for this indicator met the standard for a "unsatisfactory" rating.

Mr. Woodruff led the discussion of the non-common performance indicator, Sealed Source and Device (SS&D) Evaluation Program, which is summarized in Section 4.2 of the report. The team found Tennessee's performance relative to this indicator to be "satisfactory" and made one recommendation. The MRB agreed that Tennessee's performance for this indicator met the standard for a "satisfactory" rating for this indicator.

MRB Consultation/Comments on Issuance of Report. Mr. Sollenberger concluded, based on the discussion and direction of the MRB, that Tennessee's program was rated "satisfactory" for three performance indicators; "satisfactory with recommendations for improvement" for one performance indicator; and "unsatisfactory" for the remaining three performance indicators. The MRB found the Tennessee radiation control program was adequate, but needs improvement, and not compatible with NRC's program. Based on the Tennessee actions to date and the commitments by Division Director, the MRB concurred in the review team's recommendation for a program of heightened oversight to assess the progress of the State in implementing corrective actions.

The MRB directed that a program improvement plan be submitted in addition to the responses to the recommendations found in Section 5 of the final report, that a follow-up review be conducted within one year of the IMPEP review, that bimonthly conference calls take place with Tennessee staff, and that written progress reports be submitted two weeks prior to each call.

The MRB and Mr. Nanney briefly discussed how the problems in the State's program occurred and the reasons NRC was not aware of the program deficiencies even after periodic meetings.

Comments from the State of Tennessee. Mr. Nanney commented that the State is committed to improving the program.

3. **Status of Remaining Reviews.** Mrs. Schneider briefly reported on the status of the current and upcoming IMPEP reviews and reports.
4. **Adjournment.** The meeting was adjourned at approximately 6:15 p.m.