September 4, 1996

EA 96-314

Anderson Columbia Construction, Inc.
ATTN: Mr. Ted McRae
President
P. O. Box 1386
Lake City, Florida 32056-1386

SUBJECT: NRC INSPECTION REPORT NO. 999-90002/96-04

Dear Mr. McRae:

This refers to the inspection conducted on August 8, 1996, at the Plant No. 5 Bagdad, Florida facility. The purpose of the inspection was to follow up on your use of byproduct material at Eglin Air Force Base and Hurlburt Field, Florida without an NRC license. At the conclusion of this onsite inspection, the findings were discussed with you and members of your staff. The enclosed report presents the results of this inspection.

Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of selective examinations of procedures and representative records and interviews with personnel.

Based on the results of this inspection, one apparent violation was identified and is being considered for escalated enforcement action in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600. The apparent violation is described in Section 01 of the enclosed Inspection Report, and is associated with the failure of Anderson Columbia Construction, Inc. to have an NRC license to possess and use radioactive materials in areas of exclusive Federal jurisdiction. The circumstances surrounding the apparent violation, the significance of the issue, and the need for lasting and effective corrective action were discussed with you and members of your staff at the inspection exit meeting on August 8, 1996. As a result, it may not be necessary to conduct a predecisional enforcement conference in order to enable the NRC to make an enforcement decision. However, a Notice of Violation is not presently being issued for these inspection findings. Before the NRC makes its enforcement decision, we are providing you an opportunity to either (1) respond to the apparent violation addressed in this inspection report within 30 days of the date of this letter or (2) request a predecisional enforcement conference. Please contact Charles M. Hosey at (404) 331-5614 within seven days of the date of this letter to notify the NRC of your intended response.

Your written response should be clearly marked as a "Response to An Apparent Violation in Inspection Report No. 999-90002/96-04" and should include for the apparent violation: (1) the reason for the apparent violation, or, if contested, the basis for disputing the apparent violation, (2) the corrective

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steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. In discussing your corrective actions, you should be aware that the promptness and comprehensiveness of your actions will be considered in assessing any civil penalty for the apparent violation. The guidance in the enclosed NRC Information Notice 96-28, "SUGGESTED GUIDANCE RELATING TO DEVELOPMENT AND IMPLEMENTATION OF CORRECTIVE ACTION" may assist you in your response. Your response should be submitted under oath or affirmation and may reference or include previously docketed correspondence, if the correspondence adequately addresses the required response. If an adequate response is not received within the time specified or an extension of time has not been requested and granted by the NRC, the NRC will proceed with its enforcement decision or schedule a predecisional enforcement conference.

In addition, please be advised that the number and characterization of apparent violations described in the enclosed inspection report may change as a result of further NRC review. You will be advised by separate correspondence of the results of our deliberations on this matter.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and any reply will be placed in the NRC Public Document Room.

Should you have any questions concerning this letter, please contact us.

Sincerely,

(original signed by
D. M. Collins)

Bruce S. Mallett, Director
Division of Nuclear Materials Safety

Docket No.: 999-90002

Enclosures:
1. NRC Inspection Report No. 999-90002/96-04
2. NRC Information Notice 96-28
3. NRC Enforcement Policy

cc w/encls: State of Florida

Distribution w/encls: (See Page 3)

U. S. NUCLEAR REGULATORY COMMISSION

REGION II

Docket No.:	999-90002
Report No.:	999-90002/96-04
Organization:	Anderson Columbia Construction, Inc.
Location:	Bagdad, Florida (Plant No. 5)
Dates:	August 8, 1996
Inspector:	Wade T. Loo, Health Physicist
Approved by:	Charles M. Hosey, Chief Materials Licensing/Inspection Branch 1 Division of Nuclear Materials Safety

Enclosure

EXECUTIVE SUMMARY

Anderson Columbia Construction, Inc.
NRC Inspection Report 999-90002/96-04

This special, unannounced inspection was conducted to evaluate the company's radiation safety program for moisture density testing activities conducted in areas of exclusive Federal jurisdiction. Through discussions with cognizant company representatives, the inspector determined that a State of Florida licensee transferred a portable moisture density gauge to Anderson Columbia Construction, Inc. for use in an area of exclusive Federal jurisdiction. Based on those discussions the inspector determined that Anderson Columbia Construction, Inc. did not have a license to possess and use radioactive materials contained in portable moisture density gauges. However, the inspector determined that the individual who used the portable moisture density gauge was knowledgeable in the practices and procedures for ensuring compliance with state and DOT regulatory requirements.

REPORT DETAILS

01. Management Oversight (87100)

10 CFR 30.3 requires in relevant part, that no person shall possess or use byproduct material except as authorized by a specific or general license issued by the NRC.

On August 6, 1996, the inspector conducted an inspection of Okaloosa Asphalt, Inc., a licensee of the State of Florida regarding moisture density testing activities at Eglin Air Force Base, Florida (EAFB). During that inspection, Okaloosa Asphalt, Inc. representatives stated that they had transferred a portable moisture density gauge (PMDG) to Anderson Columbia Construction, Inc. for use at a temporary job site at EABF as documented in NRC Inspection Report No. 150-00009/96-06. At the time of the onsite inspection, Okaloosa Asphalt, Inc. was unable to locate their records documenting the transfer of the PMDG to Anderson Columbia Construction, Inc.

On August 8, 1996, the inspector located the Anderson Columbia Construction, Inc. representatives who were involved with the transfer of the PMDG from Okaloosa Asphalt, Inc. Through discussions with these representatives, the inspector determined that they received the PMDG on June 17, 1996, for use at a temporary job site located at EAFB, Florida, to conduct moisture density testing activities. Once the job had been completed, Anderson Columbia Construction, Inc. returned the PMDG to Okaloosa Asphalt, Inc. on June 29, 1996. Through further discussions with Anderson Columbia Construction, Inc. representatives, the inspector determined that the company did not have a license to possess and use radioactive materials contained in PMDGs. Anderson Columbia Construction, Inc. representatives stated that at the time the moisture density testing was required for the EAFB job, they were unable to utilize the services of the independent testing laboratory that they most frequently used. Anderson Columbia Construction, Inc. representatives stated that they had an employee who: (1) had been trained to use PMDGs by the PMDG manufacturer, (2) possessed radiation dosimetry issued by the company they had contracted with, and (3) had been named on that company's State of Florida radioactive material license. Based on this information, Anderson Columbia Construction, Inc. representatives thought that the employee was "licensed" to use the PMDG.

Through discussions with cognizant Anderson Columbia Construction, Inc. representatives and from a review of records available at the time of the onsite inspection, the inspector determined that the Anderson Columbia Construction, Inc. employee who used the PMDG had a training certificate from the PMDG manufacturer. Through further discussions, Anderson Columbia Construction, Inc. representatives stated that the company decided to file an application for a radioactive materials license with the State of Florida. Anderson Columbia Construction, Inc. filed for a radioactive materials license so that they could conduct the moisture density tests within the company. Company representatives also stated that the company had a subsidiary company that conducted testing

activities and wanted to expand their testing capabilities to include moisture density testing using PMDGs. This would allow the company to conduct these tests without having to pay an independent testing laboratory to do the work. The inspector verified with a State of Florida representative that the company had filed an application with the state for a radioactive materials license. In addition, through discussions with construction company representatives and a review of records, the inspector determined that the State of Florida did not name individuals on state radioactive materials licenses. However, the applications submitted to the state by licensees named individuals who were requesting authorization to use radioactive materials under the license. Based on discussions and reviews, the inspector determined that Anderson Columbia Construction, Inc. did not have a license to possess and use radioactive materials contained in PMDGs at the time they used the PMDG at EAFB. Failure of the company to have a license to possess and use radioactive materials was identified as an apparent violation of 10 CFR 30.3.

02. Radiation Safety (83822, 86740)

10 CFR 20.1502 requires the monitoring of exposures to radiation to demonstrate compliance with occupational dose limits specified in 10 CFR 20.1201. 10 CFR 19.12 requires that individuals who are likely to receive in excess of 100 mrem in a year in occupational exposure be trained in specified radiation protection topics. 10 CFR Part 71 requires that licensed materials be transported in accordance with specified requirements, including referenced Department of Transportation (DOT) regulations.

Through discussions with cognizant Anderson Columbia Construction, Inc. representatives, the inspector reviewed the training for the company employee who used the PMDG. The inspector reviewed the employee's PMDG training certificate for training conducted by the PMDG manufacturer. The inspector also reviewed and discussed the operating and emergency procedures and use of personnel dosimetry with the individual employee. In addition, the inspector discussed transportation procedures with the individual. During these discussions, the individual stated that the appropriate transportation documents had been given to him when he received the PMDG from Okaloosa Asphalt, Inc. The inspector verified that the transportation documents maintained by Okaloosa Asphalt, Inc. were appropriate to ensure compliance with NRC and DOT regulatory requirements as documented in NRC Inspection Report 150-00009/96-06. Also, the individual stated that the PMDG was locked and secured in his vehicle during transport. The individual also stated that he had used radiation dosimetry from his previous employer when he used the gauge. From those discussions and reviews the inspector found the individual to be knowledgeable in those procedures to ensure that appropriate and adequate actions would be taken in the event of an emergency at a temporary job site. Through discussions with Anderson Columbia Construction, Inc. representatives, the inspector determined that when the PMDG was not in use at the EAFB job site, it was stored in the company's portable laboratory at Plant No. 6 located in Wright, Florida.

03. Miscellaneous Issues (87100)

Through those discussions with cognizant Anderson Columbia Construction, Inc. representatives and from a review of records available at the time of the onsite inspection, the inspector determined that the company possessed and stored radioactive materials contained in a PMDG at its Wright, Florida facility. From those discussions, the inspector determined that Anderson Columbia Construction, Inc. possessed and stored the gauge without a State of Florida radioactive materials license. The inspection findings associated with the possession and storage of radioactive materials without a State of Florida radioactive materials license will be referred to the State of Florida.

EXIT MEETING SUMMARY

An exit meeting was held with Anderson Columbia Construction, Inc. representatives on August 8, 1996. The overall findings from the inspection, including the apparent violation were discussed. No dissenting comments were received from company representatives, and Anderson Columbia Construction, Inc. representatives did not specify any information reviewed during the inspection as proprietary in nature.

LIST OF PERSONS CONTACTED

Licensee

*T. McRae, President
K. Murphy, Materials Engineer
K. Sweet, Area Manager

*Via telephone

INSPECTION PROCEDURES USED

IP 87100: Licensed Materials Program
IP 83822: Radiation Protection
IP 86740: Inspection of Transportation Activities

ITEMS OPENED, CLOSED, AND DISCUSSED

OPENED

96-001 VIO FAILURE TO OBTAIN A LICENSE TO POSSESS AND USE RADIOACTIVE MATERIAL