

January 4, 2007

MEMORANDUM TO: Management Review Board Members:

Martin J. Virgilio, DEDMRT
Charles L. Miller, FSME
Karen D. Cyr, OGC
Geoffrey E. Grant, Region III

FROM: Jennifer C. Tobin, Health Physicist */RA/*
Division of Intergovernmental Liaison and Rulemaking
Office of Federal and State Materials
and Environmental Management Programs

SUBJECT: MINUTES: NOVEMBER 15, 2006, ARKANSAS MRB MEETING

Enclosed are the minutes of the Management Review Board (MRB) meeting held on November 15, 2006. If you have any comments or questions, please contact me at (301) 415-2328.

Enclosure:
As stated

cc: Edgar Bailey, OAS Liaison, TX
Jared Thompson, AR

Distribution: DCD (SP01)

DMSSA RF

DWhite, RI

AKock, OEDO

RErickson, RIV/RSAO

MOrendi, FSME/ASPO

CMaier, RIV

MWhelan, MA

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MINUTES: MANAGEMENT REVIEW BOARD MEETING OF NOVEMBER 15, 2006

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

Charles Miller, Acting MRB Chair, FSME
Duncan White, Team Leader, RI
Dennis Rathbun, FSME/DILR
Jennifer Tobin, FSME/DILR

Karen Cyr, MRB Member, OGC
Jared Thompson, AR
Aaron McCraw, FSME/DMSSA
Anna Bradford, OEDO

By Videoconference:

Geoffrey Grant, MRB Member, RIII
Chuck Cain, RIV
David Snellings, AR
Ron Stark, AR
Layne Pemberton, AR

Randy Erickson, Team Member, RIV
Kim Wiebeck, AR
Steve Mack, AR
Bernie Bevill, AR
Katia Gray, AR

By Tele-conference:

Edgar Bailey, OAS Liaison, TX

Michael Whalen, Team Member, MA

- 1. Convention.** Mr. Aaron McCraw convened the meeting at 2:39 p.m. He noted that this Management Review Board (MRB) meeting was open to the public. However, no members of the public attended this meeting. He then transferred the lead to Mr. Charlie Miller, Acting MRB Chair. Introductions of the attendees were conducted.
- 2. Arkansas IMPEP Review.** Mr. Duncan White, team leader, lead the presentation of the Arkansas Integrated Materials Performance Evaluation Program (IMPEP) review results to the MRB. Mr. White briefly summarized the review and noted the findings. The on-site review was conducted by an interoffice team during the period of August 28-September 1, 2006. The review team's general approach for conduct of this review consisted of: (1) examination of Arkansas' response to the questionnaire; (2) review of applicable Arkansas statutes and regulations; (3) analysis of quantitative information from the State's licensing and inspection database; (4) technical evaluation of selected licensing and inspection actions; (5) field accompaniments of two Arkansas inspectors; and (6) interviews with staff and management to answer questions or clarify issues. The review team evaluated the information gathered against the IMPEP performance criteria for each common and applicable non-common indicator and made a preliminary assessment of the Radiation Control Program's performance.

The review team issued a draft report on September 29, 2006, received an e-mail from Mr. Jared Thompson, Program Manager, Radioactive Materials Program dated November 1, 2006, and submitted a proposed final report to the MRB on November 7, 2006.

Common Performance Indicators. Mr. White presented the findings regarding the common performance indicator, Technical Staffing and Training. His presentation corresponded to Section 3.1 of the proposed final IMPEP report. In 2005, the Program underwent a re-organization that reduced the Program's accessibility to Arkansas' senior-level management. The Program lost four employees during the review period, including three individuals between December 2004 and July 2005. The Program filled three of the resulting vacancies over the last year but the loss of experienced staff over a short period of time greatly affected the Program's workload and prioritization. The review team found that the Program had six staff positions and that there have been two new personnel hired since the last review. The Program has three staff with some experience, one individual in training, one individual on military leave and one vacancy. Additionally, the Program has contracted with a consultant (the former Radiation Control Program Director) to author regulatory guidance documents. The specific portions of the Program most affected by the shortage of staff were found to be license renewal and meeting the inspection frequencies set by Arkansas management. During the 2002 IMPEP review, the team noted that the State lacked a documented training plan and there has been no addition of a management tool to track all employee's training activities. Overall, the review team found Arkansas' performance with respect to this indicator to be "satisfactory, but needs improvement" and made two recommendations. The review team recommends that the State evaluate current and future staffing needs and business processes to develop and implement a strategy that improves the effectiveness and efficiency of the Program to ensure its continued adequacy and compatibility. The review team also recommends that the State develop and implement a documented training plan consistent with the guidance in the NRC/Organization of Agreement States Training Working Group Report and the NRC's Inspection Manual Chapter 1246. The MRB suggested that Arkansas management look into the use of other consultants to fill the temporary opening created by the staff member's military deployment. Mr. Thompson indicated that the Program may explore this avenue of gaining additional staff. The MRB agreed that Arkansas' performance met the standard for a "satisfactory, but needs improvement" rating for this indicator.

Mr. White presented the findings regarding the common performance indicator, Status of Materials Inspection Program. Ms. Christi Maier was the principle reviewer for this indicator; however, she was unable to participate in the MRB. Mr. White's presentation corresponded to Section 3.2 of the proposed final IMPEP report. The review team noted that the Program's inspection procedure establishes priorities which are at least equivalent to the schedule specified in Inspection Manual Chapter 2800. Arkansas' inspection procedure specifies that the inspection priority is based on the license category assigned during the licensing process but that there is no documented, comprehensive list of license categories and their inspection priorities authorized by the Program. The review team noted that the number of inspections performed each year has decreased due to the reduced staffing and that the frequencies of many of the Priority 2-5 licensees were temporarily extended to account for that. The State indicated that the increased controls inspections were being performed effectively as a high priority. The review team found Arkansas' performance with respect to this indicator to be "satisfactory" and made one recommendation. The MRB recommended that the language for the recommendation be changed to reflect the flexibility allowed to a State program to inspect more frequently. The review team and the State agreed; the review team recommends that the State develop and implement an inspection prioritization and

inspection frequency protocol that can be consistently applied and at least meets the minimum requirements of Inspection Manual Chapter 2800. The MRB agreed that Arkansas' performance met the standard for a "satisfactory" rating for this indicator.

Mr. White presented the findings regarding the common performance indicator, Technical Quality of Inspections. Ms. Christi Maier was the principle reviewer for this indicator; however, she was unable to participate in the MRB. Mr. White's presentation corresponded to Section 3.3 of the proposed final IMPEP report. The review team found Arkansas' performance with respect to this indicator to be "satisfactory".

Mr. Michael Whalen presented the findings regarding the common performance indicator, Technical Quality of Licensing Actions. His presentation corresponded to Section 3.4 of the proposed final IMPEP report. The review team found Arkansas' performance with respect to this indicator to be "satisfactory, but needs improvement" and left a recommendation from the 2002 IMPEP review open. The 2002 IMPEP review team recommended that Department management develop and implement an action plan to reduce the license renewal backlog. During the first part of the review period the Program implemented a plan to reduce the licensing backlog and made some progress. However, the Program lost three staff members in January 2005 and forced the Program to abandon the effort to decrease the backlog for higher priority work. Through the addition of two staff members and their training, the Program has once again begun to make progress on the backlog of license renewals. Arkansas has also hired the former Radiation Control Program Director as a consultant to complete the licensing guides for fixed and portable gauges, industrial radiography and medical use. These guidance documents will aid staff (especially new personnel) by documenting the State's practices and, therefore, speeding up licensing actions. There was no backlog of amendments and new applications identified during this review. The review team examined the list of licensees that the Program had determined met the criteria for the increased controls and determined that the Program had correctly identified the licensees that require increased controls based on that criteria. Mr. Whalen commended the Program on the thoroughness of identifying and adding the license conditions for Increased Controls licensees. Arkansas Program management determined that license renewals had the least impact on public health and safety (in comparison to the issuance of new licenses and meeting inspection schedules). Mr. Thompson indicated that the backlog of license renewals reflected the lower priority that the Program assigned to these actions and indicated that as new staff become trained, the backlog will decrease. The MRB agreed that Arkansas' performance met the standard for a "satisfactory, but needs improvement" rating for this indicator.

Mr. Randy Erickson presented the findings regarding the common performance indicator, Technical Quality of Incident and Allegation Activities. His presentation corresponded to Section 3.5 of the proposed final IMPEP report. The review team found Arkansas' performance with respect to this indicator to be "satisfactory" and noted the high priority the Program gave to incidents and allegations. The MRB agreed that Arkansas' performance met the standard for a "satisfactory" rating for this indicator.

Non-Common Performance Indicators. Mr. Erickson also presented the findings regarding the non-common performance indicator, Compatibility Requirements. His presentation corresponded to Section 4.1 of the proposed final IMPEP report. The

review team found Arkansas' performance to be "satisfactory". At the time of the review, the State had all required regulations in place and were found to be compatible with those of the NRC. The MRB agreed that Arkansas' performance met the standard for a "satisfactory" rating for this indicator and commended the State for the Program's dedication to adopt regulatory amendments in a timely fashion.

MRB Consultation/Comments on Issuance of Report. Mr. White concluded, based on the discussion and direction of the MRB, that the Arkansas Program was rated "satisfactory, but needs improvement" for two performance indicators and "satisfactory" for the other four performance indicators reviewed. The review team made four recommendations regarding the performance of the Arkansas Agreement State Program and recommended that one recommendation from the 2002 IMPEP review remain open. Accordingly, the review team recommended, and the MRB agreed, that the Arkansas Agreement State Program be found adequate to protect public health and safety and compatible with NRC's program. The review team recommended, and the MRB agreed, that supportive language should be added to the cover letter transmitting the final report to Arkansas Senior Level Management. Due to the long standing license renewal backlog issue and the impact of staff turnover on Program performance, the review team recommends that a periodic meeting be conducted approximately one year from the time of the 2006 review to assess the State's performance in addressing the review team's recommendations, as well as the overall performance of the Agreement State Program. The results of the periodic meeting, will determine if/when another periodic meeting would take place before the next full IMPEP conducted approximately 4 years after the 2006 review.

Comments. Mr. Jared Thompson thanked the review team for their thorough review of his Program. He indicated that the supportive language in the IMPEP report transmittal letter may help the Program by increasing visibility within the State. He also informed the MRB that Arkansas will have a new Governor in January so that fact should be considered in the timing of the letter. He also indicated that Arkansas is very supportive of IMPEP as a valuable tool and opportunity to learn. He also raised to the MRB's attention that the recommendations were of a nature that the shortcomings could not be fixed overnight but that slow progress will be made. Mr. Thompson expressed the commitment of his staff to prioritizing the State's workload to best protect public health and safety and completing the tasks accordingly. He also explained some of the potential changes in upper level personnel due to appointment of the new Governor in January 2006. Mr. Whalen expressed appreciation for the opportunity to participate as a member of the IMPEP team and indicated that he learned a lot in the review process. Mr. Edgar Bailey also expressed his gratitude for the opportunity to participate as the Organization of Agreement States Liaison to the MRB. Mr. Miller noted that the physical presence of Mr. Thompson indicated the commitment of the Program and thanked the State and the review team for their cooperation and good work.

3. **Precedents/Lessons Learned.** No precedents that will be applied to the IMPEP process in the future were established by the MRB during this review.
4. **Good Practices.** No good practices were identified during this review.
5. **Adjournment.** The meeting was adjourned at approximately 4:11 p.m.