

SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION

1. LICENSEE/LOCATION INSPECTED: DLA/DNSC Hammond Depot, 3200 Sheffield Ave. Hammond, IN		2. NRC/REGIONAL OFFICE REGION III US NUCLEAR REGULATORY COMMISSION 801 WARRENVILLE ROAD LISLE IL 60532-4351	
REPORT NUMBER(S) 04000341/2007-002			
3. DOCKET NUMBER(S) 040-00341	4. LICENSE NUMBER(S) STC-133	5. DATE(S) OF INSPECTION October 2-3, 2007	

LICENSEE:
The inspection was an examination of the activities conducted under your license as they relate to radiation safety and to compliance with the Nuclear Regulatory Commission (NRC) rules and regulations and the conditions of your license. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector. The inspection findings are as follows:

- 1. Based on the inspection findings, no violations were identified.
- 2. Previous violation(s) closed.
- 3. The violation(s), specifically described to you by the inspector as non-cited violations, are not being cited because they were self-identified, non-repetitive, and corrective action was or is being taken, and the remaining criteria in the NRC Enforcement Policy, NUREG-1600, to exercise discretion, were satisfied.

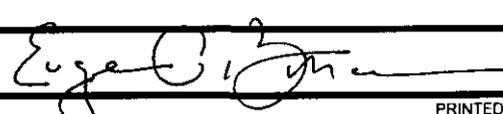
_____ non-cited violation(s) were discussed involving the following requirement(s):

- 4. During this inspection, certain of your activities, as described below and/or attached, were in violation of NRC requirements and are being cited. This form is a NOTICE OF VIOLATION, which may be subject to posting in accordance with 10 CFR 19.11.

(Violations and Corrective Actions)

Statement of Corrective Actions

I hereby state that, within 30 days, the actions described by me to the Inspector will be taken to correct the violations identified. This statement of corrective actions is made in accordance with the requirements of 10 CFR 2.201 (corrective steps already taken, corrective steps which will be taken, date when full compliance will be achieved). I understand that no further written response to NRC will be required, unless specifically requested.

TITLE	PRINTED NAME	SIGNATURE	DATE
LICENSEE			
NRC INSPECTOR	Eugenio A. Bonano		10/03/2007

Docket File Information
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3. DOCKET NUMBER(S) 040-00341	4. LICENSE NUMBER(S) STC-133	5. DATE(S) OF INSPECTION October 2-3, 2007	
6. INSPECTION PROCEDURES USED IP83890, IP87104		7. INSPECTION FOCUS AREAS Observe sample collection and evaluate remediation, final status surveys	

SUPPLEMENTAL INSPECTION INFORMATION

1. PROGRAM CODE(S) 11300	2. PRIORITY 5	3. LICENSEE CONTACT Michael J. Pecullan	4. TELEPHONE NUMBER 703-767-7620
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Main Office Inspection Next Inspection Date: TBD

Field Office Inspection _____

Temporary Job Site Inspection Hammond Depot, Hammond, IN

PROGRAM SCOPE

The inspectors observed the collection of split samples by the licensee's contractor, observed and evaluated remediation and final status surveys. The inspectors also reviewed and evaluated radioanalytical laboratory services, training, shipping, the radiation work permit (RWP) program, and observed the security and control of the site.

PERFORMANCE OBSERVATIONS

The licensee's contractor performed final status surveys in AOC 5, Survey Unit C1 SU7. The inspectors surveyed and collected 6 split samples (Licensee's Sample ID locations: 457, 466, 467, 468, 469, and 470) from this survey unit. The inspectors also collected two background samples from the licensee's background reference area, outside of this survey unit (Licensee's Sample ID locations: 128 and 131). The inspectors performed surveys of completed AOC-10 Building 200E Locker Room/Closet (C1 SU41 and C2 SU42), located adjacent and east of Building 200E. On going remediation activities were conducted in other areas of concern. Safety meetings were conducted before and after daily work activities. The licensee's contractor conducted work in accordance with the final status survey plan and procedures. The inspectors did not identify any concerns.

The licensee's contractor provided their own on-site radioanalytical laboratory services. The inspectors reviewed the laboratory's QA process and procedures. Sample preparation and analysis was conducted in accordance with established data quality management objectives and procedures. The training records for two employees were selected and reviewed for completeness and adherence to established procedures. Records for 3 shipments were selected for review, "Rail Car # CHOX 237/Manifest #19771-9," "Rail Car # CHOX 114/Manifest #19771-10," "Rail Car # CHOX 320/Manifest #19771-11." The inspectors selected 3 projects, "AOC-10/Building 200E (NW Closet)," "AOC-8/Building 100E," "AOC-1/Burn Cage, "Soil Excavation AOC's 1-7," performed at the Hammond site and reviewed their applicable radiation work permits respectively, HAOC10-01, HAOC8-01, and HSW-1. No findings of significance were identified.

The licensee maintains appropriate security and control of material on site in accordance with their procedures and regulatory requirements. All postings are in accordance with 10 CFR 20.