



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

April 30, 2008

Docket No. 03034734
EA-08-031

License No. 45-25435-01

Michael Boehmer
Vice President
IBS of America Corporation
3732 Profit Way
Chesapeake, VA 23323

SUBJECT: NRC PREDECISIONAL ENFORCEMENT CONFERENCE WITH IBS OF
AMERICA CORPORATION

Dear Mr. Boehmer:

This letter refers to the Predecisional Enforcement Conference (PEC) held on April 17, 2008. A copy of the PEC Summary is enclosed. The final enforcement decision will be sent to you in separate correspondence.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC web site at <http://www.nrc.gov/reading-rm/adams.html>.

If you have any questions concerning this matter, please contact Marie Miller, Chief, Materials Security and Industrial Branch at 610-337-5205.

Thank you for your cooperation.

Sincerely,

Original signed by James P. Dwyer

Brian Holian, Director
Division of Nuclear Materials Safety

Enclosure:
NRC Predecisional Enforcement Conference Summary

cc:
Scott Oman, Radiation Safety Officer
Commonwealth of Virginia

Michael Boehmer
Vice President
IBS of America Corporation
3732 Profit Way
Chesapeake, VA 23323

SUBJECT: NRC PREDECISIONAL ENFORCEMENT CONFERENCE WITH IBS OF AMERICA CORPORATION

Dear Mr. Boehmer:

This letter refers to the Predecisional Enforcement Conference (PEC) held on April 17, 2008. A copy of the PEC Summary is enclosed. The final enforcement decision will be sent to you in separate correspondence.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC web site at <http://www.nrc.gov/reading-rm/adams.html>.

If you have any questions concerning this matter, please contact Marie Miller, Chief, Materials Security and Industrial Branch at 610-337-5205.

Thank you for your cooperation.

Sincerely,
/RA by James Dwyer Actg For/
Brian Holian, Director
Division of Nuclear Materials Safety

Enclosure:
NRC Predecisional Enforcement Conference Summary

cc:
Scott Oman, Radiation Safety Officer
Commonwealth of Virginia

Distribution w/encl:

SECY	G Pangburn, FSME	C. Marco, OGC	M Miller, RI
CA	R Lewis, FSME	G Morell, FSME	K Farrar, RI
OEMAIL	D Rathbun, FSME	M Burgess, FSME	D Holody, RI
L Reyes, EDO	S Williams, OEDO	E Hayden, OPA	A DeFrancisco, RI
M Virgilio, DEDMRT	T Bloomer, OEDO	H Bell, OIG	R Summers, RI
C Carpenter, OE	Enforcement Coordinators	G Caputo, OI	C O'Daniell, RI
S Merchant, OE	RII, RIII, RIV	T Grancorvitz, OCFO	S Villar, RI
S Woods, OE	S Magruder, OE	D Screnci/N Sheehan,	RI OE Files
B Jones, OGC (Bradley)	L Lopez, OE	PAO-RI	(w/concurrence)
C Miller, FSME	R. Romine, OGC	B Holian, RI	

DOCUMENT NAME: C:\FileNet\ML081220389.wpd

SUNSI Review Complete: CGordon

After declaring this document "An Official Agency Record" it will be released to the Public.

To receive a copy of this document, indicate in the box: "C" = Copy w/o attach/encl "E" = Copy w/ attach/encl "N" = No copy

OFFICE	DNMS/RI	N	DNMS/RI	DNMS/RI	ORA/RI
NAME	CGordon czg		MMiller mtm1	BHolian beh	DHolody aed
DATE	4/25/08		4/25/08	4/25/08	4/ 29/08
OFFICE	DNMS/RI				
NAME	B Holian jpd1				
DATE	4/30/08				

CONFERENCE SUMMARY

NRC Predecisional Enforcement Conference, Report No. 03034734/2007001

On April 17, 2008, the Radiation Safety Officer/Sales Coordinator of IBS of America Corporation met with NRC management in the NRC Region I, King of Prussia, Pennsylvania office. The meeting was held to discuss the findings described in NRC Inspection Report No. 03034734/2007001, which included two apparent violations being considered for escalated enforcement. The apparent violations involved the failure to notify the NRC in writing within 60 days of the licensee's decision to permanently cease activities at a site as required by 10 CFR 30.36(d), and the failure to confine use of gauges containing licensed material to the location authorized on the license, as required by 10 CFR 30.34(c). Although the meeting was open to the public, no members of the public attended.

John Kinneman, Deputy Director, Division of Nuclear Materials Safety, provided opening remarks and described the purpose and NRC policy related to the predecisional enforcement conference. Anne DeFrancisco, NRC Region I Enforcement Specialist, described the NRC Enforcement Policy and process. Craig Gordon, Senior Health Physicist, Materials Security and Industrial Branch, reviewed the apparent violations described in the inspection report.

Mr. Scott Oman, Radiation Safety Officer, IBS of America Corporation, addressed the circumstances related to the apparent violations. For the first violation regarding relocation of the facility, Mr. Oman explained that he attempted to notify NRC about the move on several occasions. He stated that he verbally contacted NRC Region II and sent a written application via facsimile to the NRC Region II office. He also stated that he did not receive an acknowledgment from NRC for this or other amendment requests, so he assumed the NRC was notified about the new location. Further, Mr. Oman provided copies of NRC annual billing correspondence sent to the licensee's new address, an indication that NRC was aware of the licensee's relocation. For the second violation regarding transfer of material from the former facility, Mr. Oman provided current leak test information showing that gauges transferred from the authorized location to the unauthorized location were not contaminated.

NRC staff reinforced the regulations about licensee compliance when moving to a new location and transferring licensed material from an authorized place of use. After further discussion, Mr. Oman acknowledged the NRC inspection findings and described program changes implemented and the corrective actions taken since the inspection. These included: (1) understanding the NRC notification and material transfer requirements; (2) becoming more familiar with the NRC process for license amendments, and ensuring closer communications with NRC staff; (3) implementing internal administrative changes to track NRC correspondence; (4) ensuring leak tests are performed at required frequencies; and (5) retraining of authorized users in security requirements when gauges are transferred.

Ms. DeFrancisco provided closing comments on the NRC enforcement policy and enforcement options available to the licensee. Mr. Kinneman thanked Mr. Oman for his attendance and indicated the licensee would be informed of final NRC action after the results of the preliminary enforcement conference were reviewed.

LIST OF PERSONS ATTENDING

Licensee:

Scott Oman, Radiation Safety Officer

NRC Region I:

John Kinneman, Deputy Director, Division of Nuclear Materials Safety (DNMS)

Marie T. Miller, Chief, Materials Security and Industrial Branch, DNMS

Craig Z. Gordon, Senior Health Physicist, Materials Security and Industrial Branch, DNMS

Anne DeFrancisco, Enforcement Specialist, ORA

Karl Farrar, Regional Counsel

NRC Headquarters (via telephone):

Susanne Woods, Office of Enforcement