



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

January 16, 2009

Docket No. 03037593
EA-08-345

License No. 45-31292-01

Gordon Matheson, Ph.D.
President
Schnabel Engineering, Inc.
1054 Technology Park Drive
Glen Allen, VA 23059

SUBJECT: NRC INSPECTION REPORT NO. 03037593/2008001

Dear Dr. Matheson:

On November 19, 2008, Randolph Ragland of this office conducted a safety inspection at One West Cary Street, Richmond, Virginia and at a field site located in Colonial Heights, Virginia of activities authorized by the above listed NRC license. The inspection was an examination of your licensed activities as they relate to radiation safety and to compliance with the Commission's regulations and the license conditions. The inspection consisted of observations by the inspector, interviews with personnel, and a selective examination of representative records. Additional information regarding your corrective actions provided in an electronic mail message dated December 16, 2008, from Todd Ramkey, Radiation Safety Officer (RSO) for Schnabel Engineering Inc., and a discussion of this information during a telephone conversation on December 19, 2008, among representatives of your staff, including Paul Diggs, Branch Leader; Elizabeth Shaff, Facility RSO; and Mr. Ramkey, with Mr. Ragland of this office were also considered as part of the inspection. During this December 19, 2008, telephone conversation, the findings of the inspection were also discussed. The enclosed report presents the results of this inspection.

Based on the results of this inspection, one apparent violation was identified and is being considered for escalated enforcement. The apparent violation involves the failure to use a minimum of two independent physical controls that form tangible barriers to secure portable gauges from unauthorized removal, whenever portable gauges are not under the control and constant surveillance of the licensee, as required by 10 CFR 30.34(i). Specifically, from November 14 through 19, 2008, a Schnabel Engineering, Inc. authorized gauge user stored a Troxler Model 3440 portable gauge in a locked vehicle without a second tangible barrier to secure the gauge from unauthorized removal, whenever the gauge was not under the control and constant surveillance by the licensee.

During the telephone conference on December 19, 2008, Randolph Ragland informed your staff that the NRC has sufficient information regarding the apparent violation and your corrective actions to enable the NRC to make an enforcement decision. However, Mr. Ragland offered your organization an opportunity to provide an additional written response or attend a predecisional enforcement conference (PEC) prior to the NRC determining the appropriate enforcement action. Mr. Paul Diggs, representing Schnabel Engineering, Inc., declined the opportunity to provide additional written response or attend a PEC.

The apparent violation is described in the enclosed inspection report. The number and characterization of the apparent violation 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.

Current NRC regulations are included on the NRC's website at www.nrc.gov; select **Nuclear Materials; Medical, Industrial, and Academic Uses of Nuclear Material**; then **Regulations, Guidance, and Communications**. The current NRC Enforcement Policy is included on the NRC's website at www.nrc.gov; select **About NRC; How We Regulate; Enforcement**; then **Enforcement Policy**. You may also obtain these documents by contacting the Government Printing Office (GPO) toll-free at 1-866-512-1800. The GPO is open from 7:00 a.m. to 6:30 p.m. EST, Monday through Friday (except Federal holidays).

Sincerely,

/RA/

John D. Kinneman, Director
Division of Nuclear Materials Safety

Enclosure:
Inspection Report No. 03037593/2008001

cc w/encl:
Todd Ramkey, RSO
Commonwealth of Virginia

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John D. Kinneman, Director
Division of Nuclear Materials Safety

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