



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
612 EAST LAMAR BLVD, SUITE 400
ARLINGTON, TEXAS 76011-4125

December 10, 2009

EA-09-261

Michael D. Choat, P.E. /P.L.S.
Radiation Safety Officer
Galena Engineering, Inc.
317 North River Street
Hailey, Idaho 83333

SUBJECT: NRC INSPECTION REPORT 030-33184/09-001 AND NOTICE OF VIOLATION

Dear Mr. Choat:

This refers to the unannounced inspection conducted on September 2, 2009, at the Galena Engineering, Inc., facilities in Ketchum and Hailey, Idaho. The inspection was an examination of activities conducted under your license as they relate to radiation safety and security, and to compliance with the Commission's rules and regulations, as well as the conditions of your license. Within these areas, the inspection consisted of a selected examination of procedures and representative records, observations of activities, and interviews with personnel. The inspectors discussed the preliminary inspection findings with you at the conclusion of the onsite portion of the inspection. The NRC conducted a final exit briefing telephonically with you on November 2, 2009. The enclosed report presents the results of this inspection.

During the telephonic exit briefing, Messrs. Anthony Gaines and Jason Razo of my staff informed you that the NRC was considering escalated enforcement for an apparent violation of NRC requirements. The apparent violation involved the failure to use two independent physical controls to secure a portable gauge while in storage at the Galena Engineering, Inc., facility in Ketchum, Idaho. The circumstances surrounding this apparent violation, the significance of the issue, and the need for lasting and effective corrective actions were discussed with you at the inspection exit briefing. You have initiated corrective actions to address the violation. Your corrective actions are documented in this report. In addition, we provided you an opportunity to (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. Mr. Gaines also informed you that the NRC had sufficient information regarding the apparent violation and your corrective actions to make an enforcement decision without the need for a predecisional enforcement conference or a written response from you. You agreed that a predecisional enforcement conference or written response was not needed.

Based on the information developed during the inspection, the NRC has determined that a violation of NRC requirements occurred. The violation is cited in the enclosed Notice of Violation and the circumstances surrounding it are described in detail in the subject inspection report. As noted above, the violation involved a failure to use two independent physical controls to secure a portable gauge while in storage. Specifically, the portable gauge was stored in a Troxler gauge case within the garage attached to the Galena Engineering, Inc., Ketchum facility,

a licensed storage location, with no physical controls present to prevent unauthorized removal of the case or the gauge. The case, in which the gauge was stored, was found in the rear of the garage with the garage bay door open. The case was not secured to a fixed structure to prevent its removal from the garage, or under the control or constant surveillance of a Galena Engineering, Inc., employee. The garage opened to a public roadway and the unsecured gauge case could be seen from the roadway.

The NRC considers this violation significant because this security requirement provides a reasonable assurance that licensed material stored in controlled or unrestricted areas will be secured from unauthorized removal or access. Therefore, this violation has been categorized in accordance with the NRC Enforcement Policy at Severity Level III. The NRC Enforcement Policy may be found on the NRC's Web site at www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html.

In accordance with the NRC Enforcement Policy, a base civil penalty for \$3,500 is considered for a Severity Level III violation.

Because your facility has not been the subject of escalated enforcement actions within the last two inspections, the NRC considered whether credit was warranted for *Corrective Action* in accordance with the civil penalty assessment process in Section VI.C.2 of the Enforcement Policy. Based on your prompt and comprehensive corrective actions, the NRC has determined that *Corrective Action* credit is warranted. Your corrective actions included immediately securing the portable gauge with two independent physical controls and promptly retraining authorized users regarding the security policies and procedures. In addition, you intend to provide quarterly refresher training on security procedures to the authorized users.

Therefore, to encourage prompt and comprehensive correction of violations, and in recognition of the absence of previous escalated enforcement action, I have been authorized, after consultation with the Director, Office of Enforcement, not to propose a civil penalty in this case. However, significant violations in the future could result in a civil penalty. In addition, issuance of this Severity Level III violation constitutes escalated enforcement action that may subject you to increased inspection effort.

The NRC has also determined that five Severity Level IV violations of NRC requirements, which are not subject to escalated enforcement, occurred. The violations are cited in the enclosed Notice of Violation (Notice) and the circumstances surrounding them are described in detail in the subject inspection report. The violations involved the failure to: (1) perform annual audits of the radiation safety program; (2) have shipping papers during highway transportation of Class 7 (radioactive) material; (3) post a "Caution, Radioactive Material" sign in a storage area; (4) provide hazardous materials training to employees at required intervals; and (5) amend the license to include a new storage and use location. The circumstances surrounding the violations, the significance of the issues, and the need for lasting and effective corrective action were discussed with you at the inspection exit meeting.

You are required to respond to the Notice and should follow the instructions specified in the enclosed Notice when preparing your response. The information provided in the excerpt from the enclosed NRC Information Notice 96-28 may be helpful when preparing your response. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and your response, 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's Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such information, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). The NRC also includes significant enforcement actions on its Web site at www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html.

Should you have any questions regarding this letter, the enclosed report, or the enclosed Notice, please contact Mr. Anthony Gaines, Chief, Nuclear Materials Safety Branch A, at (817) 860-8252.

Sincerely,

/RA/ RJCaniano for

Elmo E. Collins
Regional Administrator

Docket: 030-33184
License: 11-27470-01

Enclosures:

1. Notice of Violation
2. NRC Inspection Report 030-33184/09-001
3. NRC Information Notice 96-28

cc w/Enclosures 1 and 2:

Mark Dietrich
Technical Services Administrator
Idaho Dept. of Environmental Quality
1410 North Hilton
Boise, Idaho 83706

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Hard copy:
RIV Materials Docket File (5th Floor)

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Galena.doc

Final: R:\ DNMS

ADAMS	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> SUNSI Review Complete		Reviewer Initials: JMR
<input checked="" type="checkbox"/> Publicly Available	<input type="checkbox"/> Non-publicly Available		<input type="checkbox"/> Sensitive	<input checked="" type="checkbox"/> Non-sensitive	
Category –	KEYWORD: EA-09-261 NOV Galena Engineering				
RIV:DNMS:NMSB-A	C:NMSB-A	C:NMSB-B	ACES	RC	
JMRazo	ADGaines	JEWhitten	MCMaier	KSFuller	
/RA/	/RA/	/RA/	/RA/	/RA/	
11/12/09	11/12/09	11/12/09	11/17/09	11/20/09	
D:DNMS	DRA	OE	RA		
ATHowell	CACasto	NHilton	EECollins		
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11/24/09	11/24/09	12/08/09	12/10/09		

OFFICIAL RECORD COPY

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NOTICE OF VIOLATION

Galena Engineering, Inc.
Ketchum, Idaho

Docket: 030-33184
License: 11-27470-01
EA-09-261

During an NRC inspection conducted on September 2, 2009, six violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. 10 CFR 30.34(i) requires that each portable gauge licensee shall 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.

Contrary to the above, on September 2, 2009, the licensee failed 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. Specifically, Galena Engineering, Inc., used no independent physical controls to secure a portable gauge, not under its control and constant surveillance, while stored within a garage at its facility in Ketchum, Idaho.

This is a Severity Level III violation (Supplement VI).

- B. 10 CFR 20.1101(c) requires, in part, that the licensee periodically (at least annually) review the radiation protection program content and implementation.

Contrary to the above, since the last inspection conducted on September 30, 2004, to September 2, 2009, the licensee failed to periodically (at least annually) review the radiation protection program content and implementation.

This is a Severity Level IV violation (Supplement IV).

- C. 10 CFR 71.5(a) requires, in part, that each licensee who transports licensed material outside of the site of usage, as specified in the NRC license, or where transport is on public highways, shall comply with the applicable requirements of the Department of Transportation (DOT) regulations in 49 CFR Parts 107, 171-180, and 390-397.

49 CFR 177.817(a) requires, in part, that a person may not accept a hazardous material for transportation or transport a hazardous material by highway unless that person has received a shipping paper prepared in accordance with 49 CFR 172. Pursuant to 49 CFR 172.101, radioactive material is classified as hazardous material.

Contrary to the above, on August 26, 2009, the licensee transported a hazardous material and did not receive a shipping paper prepared in accordance with 49 CFR 172. Specifically, the licensee transported a portable gauge containing radioactive material (i.e., 8 mCi of cesium-137 and 40 mCi of americium-241) outside the confines of its facility without shipping papers.

This is a Severity Level IV violation (Supplement V).

- D. 10 CFR 20.1902(e) requires that the licensee post each area or room in which there is used or stored an amount of licensed material exceeding 10 times the quantity of such material specified in Appendix C to part 20 with a conspicuous sign or signs bearing the radiation symbol and the words "CAUTION, RADIOACTIVE MATERIAL(S)" or "DANGER, RADIOACTIVE MATERIAL(S)."

Contrary to the above, on September 2, 2009, the licensee failed to post a room in which there was stored an amount of licensed material exceeding 10 times the quantity of such material specified in Appendix C to part 20 with a conspicuous sign bearing the radiation symbol and the words "CAUTION, RADIOACTIVE MATERIAL(S)" or "DANGER, RADIOACTIVE MATERIAL(S)." Specifically, Galena Engineering, Inc., did not post a sign bearing the radiation symbol and the words "CAUTION, RADIOACTIVE MATERIAL(S)" or "DANGER, RADIOACTIVE MATERIAL(S)" on a garage within its facility in Ketchum, Idaho, where a portable gauge containing 8 mCi of cesium-137 and 40 mCi of americium-241 was stored. This amount of Americium-241 exceeds 10 times the quantity of Americium-241 specified in Appendix C to part 20.

This is a Severity Level IV violation (Supplement IV).

- E. 10 CFR 71.5(a) requires, in part, that each licensee who transports licensed material outside of the site of usage, as specified in the NRC license, or where transport is on public highways, shall comply with the applicable requirements of the Department of Transportation (DOT) regulations in 49 CFR Parts 107, 171-180, and 390-397.

49 CFR 172.702 requires, in part, that each hazmat employer ensure that each of its hazmat employees is trained in accordance with the requirements prescribed in Subpart H of 49 CFR Part 172; and that each of its hazmat employees is tested by appropriate means on the training subjects covered in §172.704. The terms Hazmat Employer and Hazmat Employee are defined in 49 CFR 171.8.

The prescribed hazmat training requirements are described in 49 CFR 172.704. 49 CFR 172.704(c)(2) *Recurrent Training* requires that a hazmat employee receive the training required by this subpart at least once every three years.

Contrary to the above, the licensee did not ensure that its hazmat employees were trained in accordance with the requirements in Subpart H of 49 CFR Part 172. Specifically, the licensee did not provide recurrent hazmat training at least once every three years for its hazmat employees and did not ensure that its hazmat employees were tested on the training subjects covered in §172.704. The licensee otherwise met the definition of hazmat employer listed in 49 CFR 171.8.

This is a Severity Level IV violation (Supplement V).

- F. 10 CFR 30.34(c) requires, in part, that each licensee confine its possession and use of byproduct material to the locations and purposes authorized in the license. Condition 10 of License No. 11-27470-01, Amendment 1, requires that licensed material be stored and used only at 680 Second Avenue North, Ketchum, Idaho.

Contrary to the above, since the last inspection on September 30, 2004, through September 2, 2009, the licensee possessed and stored 8 mCi of cesium-137 and 40 mCi of americium-241 in the form of sealed sources within a Troxler portable gauge at 317 North River Street, Hailey, Idaho, a location not authorized by the license.

This is a Severity Level IV violation (Supplement VI).

Pursuant to the provisions of 10 CFR 2.201, Galena Engineering, Inc., is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001, with a copy to the Regional Administrator, Region IV, 612 E. Lamar Blvd., Arlington, Texas 76011-4125, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation; EA-09-261" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken, and (4) the date when full compliance was, or will be, achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an Order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Because your response 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's Web site at www.nrc.gov/reading-rm/pdr.html or www.nrc.gov/reading-rm/adams.html, to the extent possible, it should not include any personal privacy, proprietary or safeguards information so that it can be made available to the public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days.

Dated this 10th day of December 2009

U.S. Nuclear Regulatory Commission
Region IV

Docket: 030-33184
License: 11-27470-01
Report: 030-33184/09-001
EA: EA-09-261
Licensee: Galena Engineering, Inc.
Facilities: Main Office and Field Office
Location: Ketchum and Hailey, Idaho
Date: September 2, 2009
Inspectors: Jason Razo, Health Physicist
Nuclear Materials Safety Branch A
Martha Poston-Brown, Health Physicist
Nuclear Materials Safety Branch A
Approved By: Anthony Gaines, Chief
Nuclear Materials Safety Branch A
Attachment: Supplemental Inspection Information

EXECUTIVE SUMMARY

Galena Engineering, Inc.
NRC Inspection Report 030-33184/09-001

This was an unannounced inspection of licensed activities involving the use and storage of byproduct material at the Galena Engineering, Inc., facilities located in Ketchum and Hailey, Idaho. The inspection was an examination of activities conducted under NRC Materials License 11-27470-01, as they relate to radiation safety and security and to compliance with the Commission's rules and regulations, as well as the conditions of the license. Within these areas, the inspection consisted of selected examination of procedures and representative records, observations of activities, and interviews with personnel. This report describes the findings of the inspection.

Program Overview

Galena Engineering, Inc., is authorized to use and store byproduct material (cesium-137 and americium-241) in the operation of a portable moisture density gauging device at its facilities located in Ketchum, Idaho, and at temporary job sites in areas of NRC jurisdiction. The licensee possesses one Troxler moisture density gauge for environmental testing. (Section 1)

Inspection Findings Considered for Escalated Enforcement

- The licensee failed to use a minimum of two independent physical controls that form tangible barriers to secure the portable gauge from unauthorized removal, whenever the portable gauge was not under the control and constant surveillance of the licensee. Specifically, the licensee failed to use any controls or barriers while the portable gauge was stored in the garage of the Ketchum, Idaho, office. This was identified as a violation of 10 CFR 30.34(i). (Section 2.2)

Corrective Actions

- On September 2, 2009, the licensee secured the garage door and chained the portable gauge case to a secure, fixed workbench in the garage. The secured garage and locked chain ensured that two independent physical controls were in place to secure the portable gauge from unauthorized removal. (Section 3)

Inspection Findings Not Considered for Escalated Enforcement

- The licensee failed to perform annual audits of the radiation safety program. (Section 2.4)
- The licensee failed to have shipping papers with a radioactive source during highway transportation. (Section 2.4)

- The licensee failed to post “Caution, Radioactive Material” signs in a radioactive material storage area. (Section 2.4)
- The licensee failed to provide hazardous materials training at required intervals. (Section 2.4)
- The licensee failed to amend the license to include a new storage and use location. (Section 2.4)

Report Details

1 Program Overview (87124)

1.1 Inspection Scope

The inspectors reviewed the license and supporting documentation, interviewed licensee staff, and examined storage locations at Galena Engineering Inc.'s (Galena) facilities in Ketchum and Hailey, Idaho, on September 2, 2009. Collectively, the documents reviewed described the licensee's implementation of its NRC license requirements and its radiation safety and security program.

1.2 Observations and Findings

Galena operates an engineering consulting business from its main office in Hailey, Idaho. Galena possesses an NRC specific materials license to use portable nuclear density gauges in NRC jurisdiction. Galena has four authorized users stationed at the Hailey and Ketchum, Idaho offices, and its radiation safety officer is available from the Hailey, Idaho office. The licensee was last inspected in September 2004 and three Severity Level IV violations were identified at that time. Those violations were closed during this inspection.

2 Inspection Findings (87124)

2.1 Inspection Scope

Interviews with licensee staff, review of procedures, and observations of storage locations constituted the bulk of the inspection. Licensed activities were examined as they relate to the safety and security of the radioactive material and the licensee's policies and procedures for handling licensed materials. The inspectors evaluated training, shipping/transporting, posting, labeling, and storage of licensed material. In addition, the inspectors reviewed corrective actions relating to violations from the inspection in 2004.

2.2 Observations and Findings Considered for Escalated Enforcement

10 CFR 30.34(i) requires, in part, that each portable gauge licensee shall 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.

On September 2, 2009, the inspectors arrived at Galena's office in Ketchum, Idaho, to conduct an unannounced inspection. As the inspectors walked to the main entrance, they observed that the garage was open and no employees were in the vicinity. After introducing themselves to an authorized user, the inspectors asked where the portable gauge was stored. The authorized user stated that the gauge was in the garage. Upon entering the garage, the inspectors observed that the garage was still open and that no other Galena employees were present in the garage.

The authorized user showed the inspectors where the gauge was stored at the rear of the garage. The gauge was sitting on the floor of the garage near a workbench and truck. This location was visible from the public roadway, onto which the garage opened. The hasp on the exterior of the Troxler case was secured with a padlock. No mechanism was in place to secure the case to any fixed component of the garage. The inspectors asked the authorized user to unlock the case, and they confirmed that the portable gauge was inside the case. The inspectors took confirmatory radiation measurements using a Thermo Electron Corp Radeye G, radiation survey instrument, NRC serial number 086961 (calibration due March 2, 2010) and confirmed that the radioactive sources were present in the portable gauge. Since the garage door was open and the case with the gauge inside was not secure, independent physical controls were not in place to prevent unauthorized removal of the gauge.

Based on the September 2, 2009, inspection findings, the inspectors determined that the licensee failed to maintain adequate control of their portable gauge. This was a failure to use a minimum of two independent physical controls that form tangible barriers to secure the portable gauge from unauthorized removal, whenever the portable gauge was not under the control and constant surveillance of the licensee. This was identified as a violation of 10 CFR 30.34(i). (030-33184/09-001)

2.3 Conclusions

The inspection identified one Severity Level III violation. The violation involved the licensee's failure to secure licensed materials with two independent physical controls.

2.4 Observations and Findings Not Considered for Escalated Enforcement

2.4.1 Annual Audits

The licensee had not performed an annual audit or review of its radiation protection program since the last inspection in 2004. During the inspection, the inspector reviewed NUREG 1556 Volume 1 Appendix F, "Portable Gauge Audit Checklist" with the licensee. After the discussion, the licensee indicated an understanding of the requirement for, at the minimum, an annual audit of its radiation protection program. This was identified as a violation of 10 CFR 20.1101(c). (030-33184/09-002)

2.4.2 Shipping Papers

The licensee typically stored the portable gauge at their office in Hailey, Idaho. On August 26, 2009, the licensee transported the gauge to their office in Ketchum, Idaho, to perform testing. The authorized gauge user transported the gauge without the required shipping papers. The papers were left at the Hailey office, however they were returned to the gauge before it was transferred again. This was identified as a violation of 49 CFR 177.817(a). (030-33184/09-003)

2.4.3 Postings

When the inspectors arrived, the portable gauge was stored in the garage at the Ketchum, Idaho, facility. Entrances to the garage included the garage door and the doorway between the offices and garage. The entrances were not posted with a "Caution, Radioactive Materials," or "Danger, Radioactive Materials," sign to indicate the presence of the portable gauge containing radioactive material. This was a violation of 10 CFR 20.1902(e). (030-33184/09-004)

2.4.4 Hazardous Materials Transportation Training

The licensee periodically reviews the Operating and Emergency Procedures with the authorized gauge users. The procedures include a brief section on transportation. The transportation section review did not meet all the requirements of the training specified in 49 CFR 172.704(a). In addition, there was no written test associated with the procedure review. This was identified as a violation of 49 CFR 172.702. (030-33184/09-005)

2.4.5 Storage Locations

At the time of the inspection, only the licensee's Ketchum, Idaho, office was on the license. Discussions with the radiation safety officer indicated that the licensee had stored and dispatched the portable gauge from their office in Hailey, Idaho. After the inspection, the licensee submitted an amendment to have the Hailey, Idaho, office added to the license. A review of the Hailey, Idaho, storage location by the inspector indicated that it was adequate and met all safety and security requirements. This was identified as a violation of License Condition 10. (030-33184/09-006)

2.5 Conclusions

The inspection identified five severity level IV violations. These five violations were not considered for escalated enforcement. The licensee is required to provide a written response to the violations in the enclosed Notice of Violation.

2.6 Inspection Items Closed From Last Inspection

The previous inspection in September 2004 identified a violation for a failure to lock each portable gauge or outer container while the gauge was in storage. At the time of the inspection in September 2009, the gauge and its outer container each had locks to prevent unauthorized or accidental removal of the sealed source from its shielded position while the gauge was in storage. Corrective actions were adequate to close this violation. 030-33184/04-001

The previous inspection identified a violation for a failure to have legible RADIOACTIVE YELLOW-II labels on the portable gauge transport container during transport. At the time of the inspection in September 2009, all required labels were legible and present on the portable gauge transport container. Corrective actions were adequate to close this violation. 030-33184/04-002

The previous inspection identified a violation for a failure to perform leak tests on sealed sources at required intervals. At the time of the inspection in September 2009, leak tests for all sealed sources were within the required intervals. In addition, historic leak tests were reviewed. The previous leak tests demonstrated that the licensee was performing the tests at the required 6-month interval in the past. Corrective actions were adequate to close this violation. 030-33184/04-003

2.7 Conclusions

The licensee implemented adequate corrective actions for the three Severity Level IV violations identified during the September 2004 inspection. None of the violations identified in 2009 were repeat violations from the previous inspection.

3 **Corrective Actions (87124)**

During the inspection at the Ketchum, Idaho, office, the inspectors contacted the radiation safety officer by telephone while the authorized user secured the portable gauge. The authorized user locked the gauge with a chain to the secure, fixed workbench, and then closed the garage door. The locked chain and the secured garage door met the two independent physical controls required by the regulations in 10 CFR 30.34(i).

In addition, during the week of September 7, 2009, Galena's radiation safety officer retrained all authorized users on security regulations relating to portable gauges. This training included acceptable methods for complying with the regulations at the licensee's locations in Hailey and Ketchum, Idaho. Further, the radiation safety officer intends to provide security training to the staff on a quarterly basis.

4 **Exit Meeting Summary**

A preliminary exit briefing was conducted at the conclusion of the on site inspection with the radiation safety officer. A final telephonic exit briefing was conducted with the radiation safety officer on November 2, 2009, to review the inspection findings as presented in this report. He acknowledged the inspector's findings. No proprietary information was identified.

PARTIAL LIST OF PERSONS CONTACTED

Licensee

Michael Choat, Co-Owner/Radiation Safety Officer
Shawn Flynn, Authorized User

INSPECTION PROCEDURES USED

87124 Fixed and Portable Nuclear Gauges
86740 Inspection of Transportation Activities

ITEMS OPENED, CLOSED, AND DISCUSSED

Opened

030-33184/09-001	VIO	A violation involving a 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.
030-33184/09-002	VIO	A violation involving the failure to perform annual audits of the radiation safety program.
030-33184/09-003	VIO	A violation involving the failure to have shipping papers accompany hazardous material during highway transit.
030-33184/09-004	VIO	A violation involving the failure to post an area where radioactive materials are stored with appropriate radioactive materials postings.
030-33184/09-005	VIO	A violation involving the failure to provide adequate hazardous materials transportation training to authorized users at required intervals.
030-33184/09-006	VIO	A violation involving the failure to notify the NRC of a storage and use location not listed on the license.

Closed

030-33184/04-001
030-33184/04-002
030-33184/04-003

Discussed

None

LIST OF ACRONYMS USED

CFR	Code of Federal Regulations
EA	Enforcement Action
mCi	millicurie
NRC	Nuclear Regulatory Commission
VIO	Violation