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

February 8, 2011

Docket No. 03038287 License No. 06-31408-01
EA-10-269

Thomas P. Balskus, P.E.
Manager, Construction Services
Milone & MacBroom, Inc.
99 Realty Drive
Cheshire, CT 06410

SUBJECT: NRC INSPECTION REPORT NO. 03038287/2010001, MILONE & MACBROOM INC., CHESHIRE, CONNECTICUT SITE

Dear Mr. Balskus:

This letter refers to a routine safety inspection conducted on November 19, 2010, by Craig Gordon of this office at the above address and at a temporary job site of activities authorized by the above listed NRC license. The purpose of the inspection was to review Milone & MacBroom, Inc.'s (MMI's) activities for compliance with its NRC license issued on May 4, 2010. The enclosed report presents the results of this inspection. Additional information regarding your planned and completed corrective actions as provided in your correspondence dated January 18, 2011, and during a telephone conversation on January 20, 2011, was also examined as part of the inspection. The findings of the inspection were discussed with you on January 20, 2011, at the conclusion of the inspection.

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 an examination of selected procedures and records.

Based on the results of this inspection, five apparent violations were identified, of which one is being considered for escalated enforcement in accordance with the NRC's Enforcement Policy. The current Enforcement Policy is included on the NRC's Web site at http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html. The apparent violation being considered for escalated enforcement is discussed in Section II of the enclosed report and involved the failure to use a minimum of two independent physical controls that form tangible barriers to secure a portable gauge from unauthorized removal, whenever the portable gauge was not under MMI's direct control and constant surveillance, as required by 10 CFR 30.34(i). Specifically, between the dates of May 4, 2010, and November 19, 2010, at times when the portable gauge was not under MMI's control and constant surveillance, the portable gauge was stored inside MMI's building with only one controlled entrance, without providing a second independent physical control to secure the portable gauge from unauthorized removal.

The circumstances surrounding the apparent violation, the significance of the issue, and the need for lasting and effective corrective action were discussed with members of your staff at the inspection exit meeting on January 20, 2011. As a result, it may not be necessary to conduct a

pre-decisional enforcement conference in order to enable the NRC to make an enforcement decision. In addition, since your facility has not been the subject of any escalated enforcement actions within the last two years, and based on our understanding of your corrective actions as documented in your letter dated January18, 2011, and as described in the enclosed NRC inspection report, a civil penalty may not be warranted in accordance with Section 2.3.4 of the Enforcement Policy.

Before the NRC makes its enforcement decision, if you believe additional information or further discussion regarding the previously described apparent violation and corrective actions is necessary, we are providing you an opportunity to either (1) request a Pre-decisional Enforcement Conference (PEC), or (2) respond to the apparent violations addressed in this inspection report within 30 days of the date of this letter. If you decide to participate in a PEC, please contact Marie Miller at (610) 337-5205 within **10** days of the date of this letter, to inform us as to which of the above two options you choose. A PEC should be held within 30 days of the date of this letter.

If you choose to request a PEC, the conference will afford you the opportunity to provide your perspective on the apparent violation and any other information that you believe the NRC should take into consideration before making an enforcement decision. The topics discussed during the conference may include the following: information to determine whether a violation occurred, information to determine the significance of a violation, information related to the identification of a violation, and information related to any corrective actions taken or planned to be taken. In presenting your corrective actions, you should be aware that the promptness and comprehensiveness of your actions will be considered in assessing any civil penalty for the apparent violation. If a PEC is held, it will be open for public observation and the NRC will issue a press release to announce the time and date of the conference.

If you choose to provide a written response, it should be clearly marked as a “Response to An Apparent Violation in Inspection Report No. 03038287/2010001; EA-10-269,” and should include for the apparent violation: (1) the reason for the apparent violation, or, if contested, the basis for disputing the apparent violation; (2) the corrective steps that have been taken and the results achieved; (3) the corrective steps that will be taken to avoid further violations; and (4) the date when full compliance will be achieved. Your response may reference or include previously docketed correspondence, if the correspondence adequately addresses the required response. If your additional response is not received within the time specified or an extension of time has not been granted by the NRC, the NRC will proceed with its enforcement decision based on the information regarding this matter that is documented in the enclosed NRC Inspection Report.

In addition, please be advised that the number and characterization of apparent violations 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.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC 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.

Sincerely,

/RA/

Raymond K. Lorson, Director
Division of Nuclear Materials Safety

Enclosure:
Inspection Report No. 03038287/2010001

cc:
State of Connecticut

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC 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.

Sincerely,

/RA/

Raymond K. Lorson, Director
Division of Nuclear Materials Safety

Enclosure:
Inspection Report No. 03038287/2010001

cc:
State of Connecticut

DISTRIBUTION w/encl:
D. Holody, RI
M. McLaughlin, RI
A. DeFrancisco, RI
L. Sreenivas, OE
G. Villamar, FSME

DOCUMENT NAME: G:\WordDocs\Current\Insp Letter\L06-31408-01.2010001.doc

SUNSI Review Complete: CGordon
LTR – ML110410148, RPT – ML110410152
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/OE	
NAME	CGordon CZG		MMiller MTM		RLorson/rkl w/comments		DHolody/mmm	
DATE	2/2/11		2/02/11		2/04/11		2/07/11	
OFFICE	DNMS/RI	N						
NAME	RLorson/RKL							
DATE	2/08/11							

OFFICIAL RECORD COPY