



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

May 19, 2011

Docket No. 03035002
EA-11-070
NMED No. 100580

License No. 45-25467-01

Tadeusz W. Lewis, P.E.
Principal
GeoConcepts Engineering, Inc.
19955 Highland Vista Drive, Suite 170
Ashburn, VA 20147

SUBJECT: NRC INSPECTION REPORT NO. 03035002/2011001, GEOCONCEPTS ENGINEERING, INC., ASHBURN, VIRGINIA SITE

Dear Mr. Lewis:

This letter refers to the inspection conducted on March 14, 2011, at the Ashburn, Virginia facility. This inspection examined activities conducted under your license, as they relate to safety and compliance with the Commission's rules and regulations and with the conditions in your license. Within these areas, the inspection consisted of a selected examination of procedures and representative records, observations of activities, and interviews with personnel. In addition, during the inspection, the NRC conducted a review of the circumstances regarding the loss of a portable moisture density gauge (portable gauge) at a temporary job (Fort Meade Army Base) site on December 2, 2010. Additional information regarding your planned and completed corrective actions, as provided in your correspondence dated, March 15, 2011; March 18, 2011; and April 1, 2011; and during a telephone conversation with you on March 25, 2011, were also examined as part of the inspection. The findings of the inspection were discussed with Mr. Harris and you at the conclusion of the on-site inspection and via telephone on April 21, 2011. The enclosed report presents the results of this inspection.

Based on the results of this inspection, two apparent violations were identified, one of which 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 involved the failure to use a minimum of two independent physical controls that form tangible barriers to secure a portable gauge from unauthorized removal, when the portable gauge was not under GeoConcepts Engineering, Inc.'s (GCE's) direct control and constant surveillance, as required by 10 CFR 30.34(i). Specifically, between the dates of July 22, 2008 and December 2, 2010, GCE stored a portable gauge in a lock-box chained to the exterior of a sea-land container, and the lock-box only had a single lock and chain on the lid to secure the portable gauge from unauthorized removal, whenever the portable gauge was not under the control and constant surveillance of the licensee. The second apparent violation involved the failure to periodically (at least annually) review the radiation protection program content and implementation, as required by 10 CFR 20.1101(c). Specifically, GCE did not

perform the required periodic review of the radiation protection program during calendar year 2009.

You should be aware that Section 2.3.4 of the NRC Enforcement Policy states that for violations involving the loss, abandonment, or improper transfer or disposal of a sealed source or device, the NRC should normally exercise discretion when proposing the imposition of a civil penalty of at least the base amount. Since the apparent violation involves the loss of a device containing approximately 8 millicuries (mCi) of Cesium-137 and 44 mCi of Americium-241 in the form of sealed sources, the NRC is considering proposing imposition of a civil monetary penalty. The base civil penalty amount is based on approximately three times the expected average cost of authorized disposal; however, the NRC may consider adjusting the civil penalty amount to a more appropriate base amount if you can demonstrate that three times the actual cost of disposal would be significantly less than the base amount. However, NRC will not normally decrease the civil penalty to an amount below the lowest base civil penalty for such cases (i.e., \$3,500).

Before the NRC makes its enforcement decision, we are providing you an opportunity to either (1) respond to the apparent violations addressed in this inspection report within 30 days of the date of this letter, or (2) request a Pre-decisional Enforcement Conference (PEC). 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. 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 violations.

If you choose to provide a written response, it should be clearly marked as a "Response to An Apparent Violation in Inspection Report No. 03035002/2011001" and should include for each 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 an adequate response is not received within 30 days of the date of this letter or an extension of time has not been granted by the NRC, the NRC will proceed with its enforcement decision.

Please contact Judith A. Joustra at (610) 337-5355 within 10 days of the date of this letter with your decision regarding attending a PEC or submitting a written response.

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

T. Lewis

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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.

If you have any questions concerning this matter, please contact Judith A. Joustra of my staff at (610) 337-5355.

Sincerely,

/RA/

Raymond K. Lorson, Director
Division of Nuclear Materials Safety

Enclosure: Inspection Report No. 03035002/2011001

cc:
Shawn S. Harris, Radiation Safety Officer
Commonwealth of Virginia

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Raymond K. Lorson, Director
Division of Nuclear Materials Safety

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Shawn S. Harris, Radiation Safety Officer
Commonwealth of Virginia

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