

August 1, 2011

MEMORANDUM TO: Michael F. Weber
Deputy Executive Director for Materials, Waste,
Research, State, Tribal, and Compliance Programs
Office of the Executive Director for Operations

Bradley W. Jones, Assistant General Counsel
for Reactor and Materials Rulemaking
Office of the General Counsel

Robert J. Lewis, Acting Deputy Director
Office of Federal and State Materials
and Environmental Management Programs

David Lew, Deputy Regional Administrator
Region I

FROM: Lisa Dimmick, Health Physicist */RA/*
Division of Materials Safety and State Agreements
Office of Federal and State Materials
and Environmental Management Programs

SUBJECT: MINUTES: JUNE 20, 2011 ARKANSAS
MANAGEMENT REVIEW BOARD (MRB) MEETING

Enclosed are the minutes of the MRB meeting held on June 20, 2011. If you have comments or questions, please contact me at (301) 415-0694.

Enclosure: Cover Page and Minutes of the
Management Review Board Meeting

cc w/encl.: Renee Mallory, RN, Chief
Arkansas Health Systems Licensing
and Regulation Branch

Bernard Bevill, Chief
Arkansas Radiation Control Section

Lee Cox, State of North Carolina
Organization of Agreement States
Liaison to the MRB

Management Review Board Members

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SJames,OH

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NAME	LDimmick	
DATE	08/01/11	

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MINUTES: MANAGEMENT REVIEW BOARD MEETING OF JUNE 20, 2011

The attendees were as follows:

In person at U.S. Nuclear Regulatory Commission (NRC) Headquarters in Rockville, Maryland:

Michael Weber, MRB Chair, DEDMRT
Bradley Jones, MRB Member, OGC
Duncan White, FSME
Monica Orendi, Team Leader, Region I
Donnie Smith, AR

Robert Lewis, MRB Member, FSME
Mark Delligatti, FSME
Lisa Dimmick, FSME
Karen Meyer, FSME
Jared Thompson, AR

By videoconference:

David Lew, MRB Member, Region I
Randy Erickson, Team Member, Region IV
Roy Caniano, Region IV
Renee Mallory, AR

Donna Janda, Region I
Janine Katanic, FSME
Bernie Bevill, AR

By telephone:

Lee Cox, MRB Member, NC

Stephen James, Team member, OH

- 1. Convention.** Ms. Lisa Dimmick convened the meeting at 1:00 p.m. (ET). She noted that this Management Review Board (MRB) meeting was open to the public; however, no members of the public participated in this meeting. Ms. Dimmick then transferred the lead to Mr. Michael Weber, Chair of the MRB. Introductions of the attendees were conducted.
- 2. Arkansas Follow-Up IMPEP Review.** Ms. Monica Orendi, Team Leader, led the presentation of the Arkansas Integrated Materials Performance Evaluation Program (IMPEP) Follow-Up review results to the MRB. She summarized the review and the team's findings for the three indicators reviewed. The team recommended "satisfactory" for two performance indicators (Status of Materials Inspection Program and Technical Staffing and Training); and "satisfactory, but needs improvement" for Technical Quality of Licensing Actions. The on-site review was conducted by a review team composed of technical staff members from NRC and the State of Ohio during the period of April 5 - 8, 2011. A draft report was issued to State for factual comment on April 29, 2011. The State responded to the review team's findings by letter dated May 25, 2011. The last IMPEP review for Arkansas was conducted in October 2009. From the 2009 review, the State was found adequate to protect health and safety, but needs improvement and compatible. Due to the significance of the findings, the State was placed on Heightened Oversight. Ms. Orendi also noted that the team conducted concurrently the Program's Periodic meeting. The Periodic meeting summary is contained Appendix D of the IMPEP report.
- 3. Common Performance Indicators.** Mr. Randy Erickson presented the findings regarding the common performance indicator, *Technical Staffing and Training*. His presentation corresponded to Section 2.1 of the proposed final IMPEP report. Mr. Erickson summarized that the Program was found unsatisfactory in 2009. The review

team evaluated the actions taken in response to the unsatisfactory finding from 2009 as well as the current status of the staffing and training program. To address staff turnover, the Program increased starting salaries, introduced flexible schedules, and empowered staff. These actions supported closure of the recommendation that suggested the State take action to stabilize staffing that ensures successful implementation of the Program. The second recommendation suggested the Program update its procedures and develop new procedures, if necessary, to institutionalize policies and practices. The Program updated policies and procedures and provided training to staff on those policies and procedures. In discussing this recommendation, the MRB noted the original recommendation included that policies and procedures should serve as a knowledge management tool. The MRB requested the final report be clarified and indicate the updated and newly developed procedures serve as a knowledge management tool for the Program. The Program is currently fully staffed with two fully qualified staff and working towards fully qualifying the other four. The review team found Arkansas's performance with respect to this indicator to be "satisfactory" and made no recommendations. The MRB agreed that Arkansas's performance met the standard for a "satisfactory" rating for this indicator. The MRB commended the significant improvements by the Program and acknowledged the efforts of NRC RIV and the State. The MRB, however, cautioned the need for sustained performance.

Ms. Monica Orendi presented the findings regarding the common performance indicator, *Status of Materials Inspection Program*. Her presentation corresponded to Section 2.2 of the proposed final IMPEP report. To recap, the review team evaluated actions taken by the program in response to the findings during the 2009 IMPEP review, as well as the current status of routine, initial, and reciprocity inspections along with the timeliness of issuance of inspection findings. The review team found Arkansas's performance with respect to this indicator to be "satisfactory" and made no recommendations. The MRB agreed that Arkansas's performance met the standard for a "satisfactory" rating for this indicator.

Ms. Stephen James presented the findings regarding the common performance indicator, *Technical Quality of Licensing Actions*. To recap, the review team evaluated actions taken by the program in response to the findings during the 2009 IMPEP, as well as new licensing actions completed since that review. His presentation corresponded to Section 2.3 of the proposed final IMPEP report. Overall, licensing actions were found complete and adequately addressed health, safety, and security. The Program made progress with its license renewal backlog by completing 40 of the 86 renewals identified in 2009. However, the Program has received an equivalent number of new renewals. At the time of the review, the Program had more than 75 renewals in-house for more than a year. The review team found Arkansas's performance with respect to this indicator to be "satisfactory, but needs improvement" and made a recommendation to develop and implement a method to track the status of license action reviews to ensure timely completion. The MRB agreed that Arkansas's performance met the standard for a "satisfactory, but needs improvement" rating for this indicator. The review team initially offered two recommendations for this indicator. One recommendation is noted above. The second recommendation concerned the need to develop a plan about the license renewal backlog. The MRB felt the new recommendation met the intent of a similar

recommendation from 2009 which was closed by the review team. The MRB requested the final report clarify the justification for closure of the recommendation and requested the team only issue one new recommendation under this indicator. The MRB also discussed the evaluation of handling and storing sensitive documents presented under this indicator. As written, the MRB felt the report might be redefining sensitive information. A precedent was set in a previous MRB supporting sensitive document markings on licenses. The MRB requested the report be modified to indicate the review team discussed with the Program that as a good practice that applicable licenses should be marked as they contain information in the form of quantities and location of radioactive materials subject to Increased Controls.

4. **MRB Consultation/Comments on Issuance of Report.** The MRB found the Arkansas Agreement State Program “adequate to protect public health and safety” and “compatible with NRC’s program.” The review team recommended, and the MRB agreed, that the period of Heightened Oversight of the Arkansas Agreement State Program be discontinued. However, additional time is necessary to demonstrate sustained performance. Therefore, the team recommended, and the MRB agreed, the State be placed on Monitoring. Based on the results of the follow-up IMPEP review, the MRB agreed a periodic meeting take place in 18 months and the next full IMPEP take place in approximately four years from the date of the previous full IMPEP review.

The MRB acknowledged the efforts of the Arkansas program and encouraged the Program to take an opportunity to share its experience. The MRB noted that Arkansas used all resources available from NRC –accompaniments, training, and leadership.

6. **Precedents/Lessons Learned.** The MRB established no new precedents during this meeting. However, the MRB questioned if the Program Improvement Plan (PIP) developed for Heightened Oversight (HO) needed closure when a State is removed from HO. The HO procedure does not address the PIP in this situation. The State commented that the Program would continue to use the PIP as a tool to keep moving the Program forward and sustain performance.
7. **Adjournment.** The meeting was adjourned at approximately 2:30 p.m. (ET)