



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
1600 EAST LAMAR BLVD
ARLINGTON, TEXAS 76011-4511

November 13, 2012

Paul Halverson, DrPH, MHSA
Director of Health and State Public Health Officer
Arkansas Department of Health
4815 West Markham, Slot 39
Little Rock, Arkansas 72205

Dear Dr. Halverson:

A periodic meeting with your State was held on October 30, 2012. The purpose of this meeting was to review and discuss the status of the Arkansas Agreement State Program. The NRC was represented by Vivian Campbell from the Division of Nuclear Materials Safety (DNMS) in NRC Region IV, and me. I have completed and enclosed a general meeting summary, including any specific actions resulting from the discussions.

If you feel that our conclusions do not accurately summarize the meeting discussion, or have any additional remarks about the meeting in general, please contact me at 817-200-1143 or email Randy.Erickson@nrc.gov to discuss your concerns.

Sincerely,

/RA/

Randy Erickson
Regional State Agreements Officer

Enclosure:
Periodic Meeting Summary for Arkansas

Arkansas Department of Health

cc w/enclosure:

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ADAMS	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> SUNSI Review Complete	Reviewer Initials:	RRE
Publicly Available	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Non Sensitive		
RIV: RSAO	DD:DNMS			
RRErickson	VHCampbell			
Via Email	Via Email			
11/13/12	11/13/12			

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AGREEMENT STATE PERIODIC MEETING SUMMARY FOR THE
ARKANSAS DEPARTMENT OF HEALTH

DATE OF MEETING: OCTOBER 30, 2012

NRC Attendees	Arkansas Attendees
Randy Erickson, RSAO	Bernard Bevill, Section Chief
Vivian Campbell, Deputy Division Director	Jared Thompson, Program Manager
	Steve Mack, Health Physicist
	Layne Pemberton, Health Physicist
	Tammy Kriesel, Health Physicist
	Kayla Avery, Health Physicist
	Angie Hill, Health Physicist

DISCUSSION:

The Arkansas Agreement State Program is administered by the Radioactive Materials Program (the Program). The Program is one of three programs in the Radiation Control Section (the Section), which is part of the Health Systems Licensing and Regulation Branch (the Branch). The Branch is part of the Center for Health Protection within the Arkansas Department of Health (the Department).

The previous follow-up IMPEP review (ML111780695) and accompanying Periodic Meeting was conducted the week of April 5-8, 2011. At the conclusion of the review, the team found Arkansas' performance to be satisfactory for the indicators Technical Staffing and Training and Status of Materials Inspection Program; and satisfactory, but needs improvement, for the indicator Technical Quality of Licensing Actions.

The review team recommended that the Arkansas Agreement State Program be found adequate to protect public health and safety, but needs improvement, and compatible with NRC's program; and, that the period of Heightened Oversight of the Arkansas Agreement State Program be discontinued, and that a period of Monitoring be initiated. The MRB agreed with the team's recommendations.

The review team closed three of four recommendations regarding program performance by the State and kept open one recommendation from the previous review. That recommendation was modified during the 2011 IMPEP review to more accurately describe the actions necessary to meet the intention of the review team.

The current status of the one remaining recommendation identified during the 2011 Arkansas final IMPEP report is summarized below.

- The review team recommends that the State develop and implement a method for tracking the status of license action reviews to ensure timely completion.

Enclosure

Current Status: The Program has developed a method for tracking the status of licensing actions and is working to complete those actions in a timely manner. All new licensing actions are assigned by management and must begin within 45 days. Managers track each licensing action and perform follow up to ensure that all are completed within designated timeliness goals.

At the time of the 2011 IMPEP review, the Program had set a goal of completing 40 backlogged license renewals by the time of the 2012 Periodic Meeting. They have exceeded their goal and completed 50 of the backlogged renewals. During this time, each staff member was required to have four backlogged renewals working at any given time in addition to also processing new renewals that have come due, processing new license amendments, performing inspections, responding to incidents and allegations, and participating in emergency response duties. Program managers noted that the program is working well and the staff has responded admirably.

While the backlog of license renewals can be attributed primarily to the Program's previous inability to retain staff, at the present time with greater staff stability the Program has overcome the majority of the issues plaguing the Program noted during the 2007 Periodic Meeting. Following the 2007 Periodic Meeting the Program was placed on Heightened Oversight.

In 2007 the Program had 245 licensees, of which 92 were under timely renewal. Of those 92 backlogged renewals, 91 percent had been under timely renewal for more than one year. Fifty five of the 92 backlogged licenses had been under timely renewal since the 2002 IMPEP review, five years earlier.

Presently the Program has 208 licensees. At the time of the meeting, the Program only had a total of 33 of the backlogged renewals originally identified in 2007 left to complete. Of the remaining 33 renewals in backlog, 24 are currently being worked by staff. And only nine of the original 92 backlogged licenses are yet to be started. It should be noted that during that same time period, approximately 100 new renewals had come due and had also been processed by the staff.

Other topics covered at the meeting included.

Program Strengths: The Arkansas Program is a busy program with a highly motivated staff that is responsible for the licensing and inspection of 208 specific materials licensees. Management support to the Program is outstanding at all levels, and access to senior management is unencumbered. The Program noted that the dedication of their staff to making the program successful is a huge strength for them.

While the Program has experienced several staff losses in recent years, mainly due to low salaries and the lack of a promotion pathway, they have been successful in filling positions with talented individuals. Base salaries have increased; a program was put in place which allows staff who takes and passes advanced training courses to receive additional increases in salary, and the staff is now rotated through managing other Program activities such as reciprocity activities, the general license program, and the

NORM program. Staff noted that these shared experiences have resulted in a much greater knowledge base and better customer service to all Arkansas licensees.

Program Weaknesses: While the Program has experienced success in filling positions in the materials program, they acknowledge they are still in the building process. While the Program Manager and the most senior staff member have over 20 years of experience each, the rest of the staff is relatively new, ranging from 2-6 years of experience. The lack of a career ladder still exists and is unlikely to be changed. There have also been department wide restrictions on hours worked that have made it difficult for some of the staff. The Program noted that their licensing guidance needs updating, and they are still building the general license program. They also feel they are behind the curve in regards to Web Based Licensing which is something they are anxious to complete.

Feedback on NRC's Program:

The Program discussed several issues affecting the Program including the following:

- The Program expressed their appreciation for allowing the States so much integration into NRC working groups. Participating in these activities has helped grow the staff's knowledge base.
- The Program expressed their appreciation for the support they receive in the form of training from NRC. They further stated that they are having difficulty getting into certain training courses such as the Brachytherapy course.
- The Program stated that for them, NSTS, especially the help desk, continues to be cumbersome. The Program stated that the help desk is ineffective and slow.
- The Program believes they are behind the curve when it comes to Web Based Licensing (WBL) / Licensing Tracking System (LTS). They would like to incorporate it into their program and need assistance.

Staffing and training:

The Arkansas Program is a busy program which is divided into different program areas. Four out of five inspectors have been with the Program less than six years, but most are fully qualified. Only the newest staff member is not yet fully qualified. At the time of the meeting, the Program reported they were fully staffed. The Program reported that most of their staff has completed NRC's core training courses.

The status of Agreement State staff members who fail NRC training courses was discussed. Program managers indicated it is their policy to either resend the individual to the class or provide other forms of training whenever this might occur. Since the last IMPEP review, no staff members have failed to pass a course they attended.

Program reorganizations:

The Program has not been subject to reorganization since the 2011 IMPEP review.

Changes in Program budget/funding:

At the time of the 2011 IMPEP review, the Program had not had a fee increase in 16 years. They had requested fee increases over the years, but were not successful. Recently, the legislature has been even more reluctant to raise fees because of the economic situation the State is currently experiencing. To improve the possibility of achieving a fee increase, a bill sponsor suggested that the Department introduce a bill to move the responsibility for fee increases from the legislature to the Board of Health. That bill was introduced and passed. Recently the Board of Health approved a fee increase from levels put in place 16 years ago to 15 percent of NRC's 2011 fees. This fee increase goes into effect in November 2012. The Program also agreed not to request another fee increase until 2019. Currently, the Program appears to be well positioned financially and believes this funding will support their Program sufficiently for the next several years.

Materials Inspection Program:

The Program reported that they currently have no overdue inspections. Initial inspections are typically performed within 12 months of issuance. They continue to inspect reciprocity licensees and have not had difficulty performing inspections on at least 20 percent of candidate reciprocity licensees. The Program performs Increased Controls (IC) inspections concurrent with health and safety inspections. All new IC licensees are inspected before the licenses issued. Supervisory accompaniments are being conducted annually by the Program Manager.

Licensing Program:

The Program reported that the licensing program is very active. As noted earlier, the licensing renewal backlog is down from an initial backlog of 92 renewals to only nine left to start. New renewals are being worked concurrently with backlogged renewals and amendments are being processed as they come in. The Program Manager tracks all licensing actions and staff is responsible for ensuring they are completed timely.

The Program also has a General License Program (GL) they are currently working to strengthen. They do not perform inspections of GL devices currently, but have that as a goal for the future. The Program reported they use current pre-licensing guidance and conduct pre-licensing visits for all new licenses issued.

Regulations and Legislative changes:

The Program reported that no legislation affecting the Program has been introduced or passed since the 2011 follow-up IMPEP review.

Current NRC policy requires that Agreement States adopt certain equivalent regulations or legally-binding requirements no later than 3 years after they become effective. At the time of the review, there were no overdue regulations.

The review team identified the following regulation changes and adoptions that will be needed in the future, and the State related that the regulations would be addressed in upcoming rulemaking or by adopting alternate legally binding requirements:

- “Decommissioning Planning,” 10 CFR Parts 20, 30, 40, and 70 amendments (76 FR 35512), that is due for Agreement State implementation by December 17, 2015.
- “Licenses, Certifications, and Approvals for Materials Licensees,” 10 CFR Parts 30, 36, 39, 40, 70, and 150 amendments (76 FR 56591), that is due for Agreement State implementation by November 14, 2014.
- “Advance Notification to Native American Tribes of Transportation of Certain Types of Nuclear Waste,” 10 CFR Part 71 amendment (77 FR 34194), that is due for Agreement State implementation by August 10, 2015.
- “Technical Corrections,” 10 CFR Parts 30, 34, 40, and 70 amendments (77 FR 39899), that is due for Agreement State implementation by August 6, 2015.
- “Requirements for Distribution of Byproduct Material,” 10 CFR Parts 30, 31, 32, 40, and 70 amendments (77 FR 43666), that is due for Agreement State implementation by October 23, 2015.

Event reporting, including follow-up and closure information in NMED.

Since the 2011 IMPEP review, the Program had reported eight events to NMED, with 3 remaining open. The Program will close the open events when they are able to obtain the necessary information.

Response to incidents and allegations.

The Program continues to be sensitive to notifications of incidents and allegations. Incidents are quickly reviewed for their affect on public health and safety. Incidents are evaluated for safety significance and staff is dispatched to perform onsite investigations whenever possible.

Status of allegations and concerns referred by the NRC for action.

The Program continues to process allegations as they are received. In addition to two allegations received directly by the Program since the 2011 IMPEP review, NRC also referred two allegations to the Program. Each of the allegations received by the Program have been investigated and closed. The Program continues to be sensitive to issues of identity protection regarding allegers.

Significant events and generic implications.

The Program reported they have not experienced any significant events with potential generic implications since the 2011 IMPEP review.

Current State Initiatives.

The Program reported that current initiatives they are involved with include:

- Decommissioning activities with the former DOE Sefor Fast Oxide Reactor site.
- Decommissioning activities at two NORM sites involving multiple site visits.

Emerging Technologies.

The Program reported no new activities involving emerging technologies since the 2011 IMPEP review.

Large, complicated, or unusual authorizations for use of radioactive materials.

The Program reported the following as examples of large and complicated authorizations:

- Decommissioning activities with the former DOE Sefor Fast Oxide Reactor site.
- Decommissioning activities of an Arkansas licensee who disposed of 62 cesium-137 sources contained in older gauges in storage.

State's mechanisms to evaluate performance.

The Program reported the following as examples of how they evaluate program performance:

- Management requested that the Program continue internally using the Program Improvement Program initially used during the period of Heightened Oversight. This is used as a tool to internally monitor continued progress and is evaluated quarterly.
- Inspector accompaniments are performed to ensure they are performing at the expected level.

Current NRC initiatives:

Various NRC initiatives were discussed including senior NRC management changes, web based licensing program, and General License Program updates.

Summary:

The Arkansas Program has worked diligently to recover from a long history of low salaries, the inability to retain staff, the lack of a career ladder, and the staff's general distrust for management. Arkansas management viewed these as serious issues and responded in a serious manner, making substantive changes. Salaries were raised, an avenue for staff to

take advanced classes to obtain additional salary increases was also created, and managers began meeting with the staff on a routine basis to address personnel and work related issues. These changes have resulted in better overall staff satisfaction and retention.

While Arkansas' managers and staff put a lot of effort into strengthening the Program, NRC also provided support through multiple training opportunities that included inspector accompaniments, training on reporting requirements, performance based inspection training, and issue specific licensing training. Accompaniments were performed by both regional and FSME staff; and, licensing staff from both Region IV and Region III traveled to Arkansas to provide training. Arkansas staff also traveled to the Region IV office for training.

The final recommendation involving the reduction and ultimate elimination of a previously large backlog of license renewals has been vastly improved since the time of the 2007 Periodic Meeting. Following the 2011 IMPEP review, the Program was removed from Heightened Oversight and a period of Monitoring was initiated. This was recommended primarily because the Program had previously not had sufficient time to demonstrate a period of sustained performance. Since that review, the Program has only grown stronger and the backlog has continued to be reduced. Staffing has been stabilized and the Program is much stronger for it today. For these reasons, it is recommended that the Management Review Board consider removing the Arkansas Radiation Control Program from Monitoring.

Schedule for the next IMPEP review:

It is recommended that the next IMPEP review to be held on schedule in October 2014.