



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
2100 RENAISSANCE BOULEVARD, SUITE 100
KING OF PRUSSIA, PA 19406-2713

November 21, 2014

Docket No. 03036264

License No. 55-25624-01

Robert J. Schierloh
President
Virgin Islands Paving, Inc.
P.O. Box 4720
Kingshill, VI 00851-4720

SUBJECT: NRC INSPECTION REPORT NO. 03036264/2014001

Dear Mr. Schierloh:

On October 21 & 22, 2014, Todd Jackson of this office conducted a safety inspection at the 13 GA Estate Bethlehem, St. Croix, Virgin Islands and 149B Subbase, St. Thomas, Virgin Islands of activities authorized by the above listed NRC license. 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 a selective examination of representative records. Additional information provided in the email correspondence from Bryan Farley of your organization, dated October 28, 2014, was also examined as part of the inspection. The findings of the inspection were discussed with you at the conclusion of the inspection.

Based on the results of this inspection and in accordance with the NRC Enforcement Policy, the NRC has determined that one Severity Level IV violation of NRC requirements occurred. The violation involved the failure to conduct the required physical inventory every six months.

The violation is cited in the enclosed Notice of Violation (Notice), because the violation was identified by the NRC.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC document system (ADAMS), accessible from the NRC website 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.

Current NRC regulations and guidance are included on the NRC's website at www.nrc.gov; select **Nuclear Materials; Med, Ind, & Academic Uses**; then **Regulations, Guidance and Communications**. The current Enforcement Policy is included on the NRC's website at www.nrc.gov; select **About NRC, Organizations & Functions; Office of Enforcement; Enforcement documents**; then **Enforcement Policy (Under 'Related Information')**. You

may also obtain these documents by contacting the Government Printing Office (GPO) toll-free at 1-866-512-1800. The GPO is open from 8:00 a.m. to 5:30 p.m. EST, Monday through Friday (except Federal holidays).

The NRC's Safety Culture Policy Statement became effective in June 2011. While a policy statement and not a regulation, it sets forth the agency's *expectations* for individuals and organizations to establish and maintain a positive safety culture. You can access the policy statement and supporting material that may benefit your organization on NRC's safety culture Web site at <http://www.nrc.gov/about-nrc/safety-culture.html>. We strongly encourage you to review this material and adapt it to your particular needs in order to develop and maintain a positive safety culture as you engage in NRC-regulated activities.

Please contact Todd Jackson at 610-337-5308 if you have any questions regarding this matter.

Sincerely,

/RA/

Blake Welling, Chief
Commercial, Industrial, R&D and Academic
Branch
Division of Nuclear Materials Safety

Enclosure:
Notice of Violation

cc: Bryan Farley, Radiation Safety Officer
Territory of the Virgin Islands

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Enclosure:
Notice of Violation

cc: Bryan Farley, Radiation Safety Officer
Territory of the Virgin Islands

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B. Bickett, ORA, Region I

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NAME	TJackson/tj		BWelling/bw				
DATE	11/19/14		11/21/14				

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NOTICE OF VIOLATION

Virgin Islands Paving, Inc.
Kingshill, VI

Docket No. 03036264
License No. 55-25624-01

During an NRC inspection conducted on October 21 & 22, 2014, and continuing in-office through October 28, 2014, one violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

Condition 15 of NRC License 55-25624-01 requires the licensee shall conduct a physical inventory every six months, or at other intervals approved by the U.S. Nuclear Regulatory Commission, to account for all sources and/or devices received and possessed under the license. Records of inventories shall be maintained for 5 years from the date of each inventory and shall include the radionuclides, quantities, manufacturer's name and model numbers, and the date of the inventory.

Contrary to the above, the licensee did not conduct and document physical inventories every six months of all sources and/or devices possessed under the license. Specifically, as of the start of the inspection on October 21, 2014, the most recent inventory record was 2/4/14 for gauge serial number (SN) 36517, 2/7/14 for SN 37072, 9/23/14 for SN 24458, 3/4/13 for SN 20404, and 2/25/13 for SN A220801043. Additionally, the most recent previous inventory record for each gauge also showed the previous inventory was performed more than six months before the most recent recorded inventory.

This is a Severity Level IV violation (Enforcement Policy Section 6.3).

Pursuant to the provisions of 10 CFR 2.201, Virgin Islands Paving, Inc. is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555, with a copy to the Regional Administrator, Region I, 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" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the 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 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 to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, any response which contests an enforcement action shall be submitted under oath or affirmation.

Your response will be placed in the NRC Public Document Room (PDR) and on the NRC Web site. To the extent possible, it should, therefore, not include any personal privacy, proprietary, or safeguards information so that it can be made publically available without redaction.

However, if you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be placed in the PDR, and provide the legal basis to support your request for withholding the information from the public.

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

Dated This 21 day of November 2014