Swanson General

July 16, 1989

Mr. Robert J. Pate, Chief Nuclear Materials Safety and Safeguards Branch Nuclear Regulatory Commission 1450 Maria Lane, Suite 210 Walnut Creek, California 94596 Reply: NRC. 004

Re: Reply to Notice of Violation, License No: 50-23226-01

Dear Sir:

This letter is in reply to your letter dated June 23, 1989 regarding a recent routine safety inspection. I apologize for being unavailable during the inspection and hope our staff provided ample assistance to your inspectors. In response to your letter I offer the following:

Item A. Our records do indeed reflect that no entry was made on our Physical Inventory Sheet for the period July 1, 1988 and December 31, 1988. It appears that this was an oversight in view of the fact that we have a Shipping/Receiving document indicating we took possession of the gauge at our warehouse on August 2, 1988. Unfortunately, we failed to annotate our Physical Inventory at the same time.

In analyzing the above occurrence I believe the most probable cause can be found in the fact that we use the gauge very seldom. For example, this gauge was last used on a project during the March of 1988 and isn't scheduled for further use until August of this year, a period of 17 months. In the interim, the gauge is stored in the prescribed area within our warehouse or secured on the jobsite awaiting return transportation. As you can imagine, this leaves extended periods when the gauge is not readily visible and thus there is no tickler to remind us.

In an attempt to preclude further violation of this License Condition we have placed the Physical Inventory sheet on the door inside the room where the gauge is stored. This will prompt personnel to note the location of the gauge and record the information on the inventory sheet.

Item B. I take exception to this alleged violation. The statement in your letter suggest that we in fact had personnel using our gauge during the period of May 1, 1988 through May 30, 1988 while concurrently failing to provide a personal monitoring device. This is not true! At the time of this alleged incident the gauge was secured in our van CTR 264044 more than 500 miles from our nearest employee.

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As we pointed out above, this gauge was last used in March of that year for which we have a Dosimetry Report (attached) dated May 11, 1988. Admittedly, we did not maintain a personal exposure program for those periods in which the gauge was not used. We were unaware of, and at this writing cannot find any regulation that requires us to do so while the gauge is not in use. As Mr. Jensen pointed out, this would be difficult in view of the fact that much of the time our <u>one</u> operator is employed outside our organization.

If in fact regulations require we maintain a monitoring program while the gauge is not in use we will simply continue to pay for an unused service and return the film badges unopened.

Item C We do not dispute this item. We have recently implemented a two step policy which will prevent further failure in this area. To insure a leak test is performed prior to use of the gauge we have included this item as a requirement in our Contractor Quality Control Program's preparatory inspection procedure. Preparation of site specific CQC Programs will alert management to insure a currency of leak test reports. The second step is to perform a leak test upon the conclusion of a contract and prior to placing the gauge into storage. A notice to this affect is posted inside the door of the storage facility.

Item D We have modified our existing sign to read CAUTION, RADIOACTIVE STORAGE AREA instead of the previous CAUTION, RADIATION AREA. It is of no consequence, but I must point out that you failed to acknowledge that a sign was in place at the time of the inspection. The violation should read that the posted sign read CAUTION, RADIATION AREA instead of the required CAUTION, RADIOACTIVE MATERIAL(S).

In closing, as I stated earlier, it is my belief that our failure to maintain perfect compliance can be found in the "out of site, out of mind" syndrome associated with our highly infrequent use of the gauge. We have been, and will continually strive to overcome this situation and comply with the numerous requirements that accompany ownership of this sealed source. Any suggestions or helpful hints that might assist in precluding further deficiencies would be most welcome. Should you have any questions or if I can be of any further assistance please do not hesitate to call.

Respectfully,

Robert B. Swanson, Sr.

President/RPO

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