

DOD/DeB
(KIDS)

October 11, 1990

Docket No. 030-10749
License No. 48-16296-01
EA 90-152

Midwest Inspection Services, Ltd.
ATTN: Mr. Donald Paschen
President
3171 Gross Street
Post Office Box 28023
Green Bay, WI 54304

Gentlemen:

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY - \$10,000
(NRC INSPECTION REPORT NO. 030-10749/90001)

This refers to a special safety inspection at your Green Bay, Wisconsin facility, including a field inspection at Oshkosh, Wisconsin, conducted from July 24 to August 8, 1990, and authorized by NRC License No. 48-16296-01. During the inspection, violations of NRC requirements were identified, and on September 13, 1990, an enforcement conference was held in the Region III office between you and Dr. C. J. Paperiello, and other members of the NRC staff. The root causes of the violations and your subsequent corrective actions were discussed at that conference. A copy of the inspection and conference reports were sent to you on September 11, 1990 and October 10, 1990, respectively.

The violations, which are described in the enclosed Notice of Violation and Proposed Imposition of Civil Penalty (Notice), include: (1) exposure of an individual in excess of 1.25 rems in a calendar quarter, (2) failure to report an exposure in excess of 10 CFR 20 limits, (3) failure to audit radiography personnel at the proper intervals, (4) failure to lock a sealed source assembly after completing a radiographic operation, (5) failure to calibrate a survey instrument at the proper intervals, (6) failure to check pocket dosimeters at the proper intervals, and (7) failure to properly mark or label a package or its outer packaging when transporting radioactive material. These violations, when considered collectively, are indicative of a lack of management control and supervisory oversight of your radiographic program.

Additional apparent violations were discussed with you in the Enforcement Conference. These are undergoing further review by the NRC. You will be notified by separate correspondence of any further enforcement action regarding these additional violations.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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October 11, 1990

The root cause of the violations listed in the enclosed Notice of Violation and Proposed Imposition of Civil Penalty (Notice) appears to be a programmatic lack of control of licensed activities. Therefore, in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," (Enforcement Policy) 10 CFR Part 2, Appendix C (1990), these violations are classified in the aggregate as a Severity Level III problem.

To emphasize the need for greater management control in all your activities, I have been authorized after consultation with the Director, Office of Enforcement, to issue the enclosed Notice in the amount of \$10,000 for the Severity Level III problem.

The base value of a civil penalty for a Severity Level III problem is \$5,000. The escalation and mitigation factors in the Enforcement Policy were considered and it was determined that a 100 percent escalation of the base civil penalty is appropriate. We concluded that a 50 percent escalation is appropriate because the violations were identified by NRC, and these violations should have been identified and corrected through internal reviews conducted by licensee management. An additional 50 percent escalation is appropriate because corrective actions were not promptly implemented and because, as explained to you at the enforcement conference, the corrective actions that you outlined at that time were only minimally acceptable. The remaining factors in the enforcement policy were considered and no further adjustment to the base civil penalty was deemed appropriate.

In addition to the specific violations identified in the Notice, we have a number of related concerns: 1) The major cause contributing to these violations appears to be a lack of attention to detail and a lack of understanding on the part of licensee management of the rules and regulations under which you are licensed. 2) Management has not taken action in response to NRC Information Notices which are sent to licensees to draw attention to specific regulatory requirements. 3) Past corrective actions have not been lasting, as evidenced by the fact that some violations, identified in the Notice, have recurred from one or more previous inspections.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional actions you plan to prevent recurrence. In addition, your response should specifically address each of the three concerns noted in the paragraph above. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be placed in the NRC Public Document Room.

October 11, 1990

The responses directed by this letter and the enclosed Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

Sincerely,

A. Bert Davis
Regional Administrator

Enclosures:

- 1. Notice of Violation and Proposed Imposition of Civil Penalty
- 2. Inspection Report
No. 030-10749/90001(DRSS)

cc w/enclosures:

Public Document Room (PDR)
Nuclear Safety Information Center (NSIC)
State of Wisconsin

OE	D:OE
JDelMedico	JLieberman
(Received via FAX, 10/5/90)	
10/1/90	10/5 /90

RIII
RL
 Lougheed/db
 10/9 /90

RIII
yes
RL
 Norelius
 10/9 /90

yes EA
RL
 RIII
CP
 Pederson
 10/9/90

RIII
CP
 Papetiello
 10/10/90

RIII
D
 Davis
 10/10/90

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RAO:RIII

PAO:RIII

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