

UNITED STATES  
NUCLEAR REGULATORY COMMISSION

In the Matter of  
C&R LABORATORIES, INC.  
Pearl City, Hawaii

}  
} Docket No. 030-17088  
} License No. 53-19179-01  
} EA 89-101

ORDER MODIFYING LICENSE

I

C&R Laboratories, Inc. (C&R or Licensee) is the holder of NRC License No. 53-19179-01 issued by the Nuclear Regulatory Commission (NRC or Commission) pursuant to 10 CFR Part 34. The license authorizes the Licensee to receive, possess, and utilize sealed sources of Iridium 192 and Cobalt 60 in industrial radiographic exposure devices. The license was issued on March 21, 1980, was most recently renewed on July 8, 1986, and is due to expire on July 31, 1991.

II

Under C&R License Condition 16, and Sections 5.C. and 13.B. of the C&R Operating and Emergency Procedures, as set forth more fully in the Notice of Violation and Proposed Imposition of Civil Penalty attached to this Order, personnel performing licensed activities under C&R's license are required to conduct radiation surveys when exposure devices are removed from or returned to their storage areas, and to conduct such surveys to confirm that radiation levels in the passenger compartments and on the outside surfaces of vehicles used to transport licensed materials are within required limits.

On December 12, 1980, an NRC investigator observed a Licensee radiographer, Gary Wood, and another individual, remove a radiation exposure device from the Licensee's "mobile laboratory" vehicle located in front of the residence of Mr. Roland Watson, President of C&R Laboratories, Inc., place the device in the

back of a pickup truck, and drive to an industrial site to perform radiography. Later on the same day, Mr. Wood and the second individual returned to Mr. Watson's residence and returned the exposure device to the mobile laboratory. The investigator observed that at no time during the removal from and return to the mobile laboratory did Mr. Wood or the accompanying individual perform surveys of the radiation exposure device or of the mobile laboratory. When NRC personnel reviewed Licensee records on March 9, 1989, they found records signed by Mr. Wood purportedly documenting that the surveys had been performed as required on December 12, 1988. The investigator attempted to interview Mr. Wood to obtain his version of what occurred, but he refused to be interviewed. Under the circumstances, it is reasonable to conclude that the survey record was falsified. The investigator also observed that Mr. Wood failed to survey the vehicle into which the device was loaded.

On May 12, 1989, NRC representatives held an enforcement conference with the Licensee, at which time Mr. Watson informed the NRC that upon learning from the NRC of Mr. Wood's actions described above, C&R, on its own initiative, had terminated Mr. Wood's employment with C&R. On August 17, 1990, NRC representatives contacted Mr. Watson by telephone and discussed the findings of the investigation. During the discussion, Mr. Watson stated that the Licensee had not reemployed and does not intend to reemploy, Gary Wood to perform radiography. Mr. Watson also indicated that should C&R's intent in this regard change, the Licensee would provide NRC prior notice of any intention to employ Mr. Wood.

III

Considering the importance of compliance with all safety requirements in the conduct of radiography and the fact that radiographers work independently, the NRC must have confidence that each radiographer will comply with these requirements. I find the Licensee's commitments, as stated in the telephone discussion on August 17, 1990, and as modified below, acceptable and necessary in order to protect the public health and safety. In view of the foregoing, I have determined that it is appropriate that the Licensee's commitments concerning Mr. Wood, as modified, be formalized by this Order.

IV

Accordingly, pursuant to sections 81, 161b, 161c, 161f, 161g, 182 and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.204 and 10 CFR Part 34, IT IS HEREBY ORDERED THAT LICENSE NO. 53-19179-01 IS MODIFIED AS FOLLOWS:

C&R Laboratories, Inc. shall not utilize Mr. Gary Wood in licensed activities without providing written notice to the NRC two weeks in advance of the scheduled utilization. Such notice shall be provided to the Regional Administrator, Region V, and shall explain why the Licensee will have confidence that Mr. Wood will comply with the requirements of License No. 53-19179-01. This condition will expire five years from the date of this modification.



The Regional Administrator, Region V, may relax or rescind, in writing, the above conditions upon a showing of good cause by the Licensee.

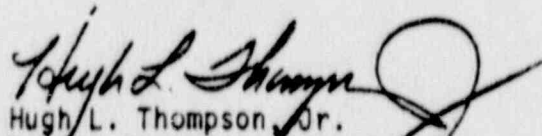
V

The Licensee, Mr. Gary Wood, or any other person adversely affected by this Order may submit an answer to this Order or request a hearing on this Order within 20 days of its issuance. The answer shall set forth the matters of fact and law on which the Licensee or other persons affected relies and the reasons as to why the Order should not have been issued. Any answer filed within 20 days of the date of this Order may include a request for a hearing. Any answer or request for a hearing shall be submitted to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555. Copies also shall be sent to the Assistant General Counsel for Hearings and Enforcement at the same address, to the Regional Administrator, NRC Region V, 1450 Maria Lane, Suite 210, Walnut Creek, California 94596, and to the Licensee, if the answer or hearing request is by a person other than the Licensee. If a person other than the Licensee or Mr. Gary Wood requests a hearing, that person shall set forth with particularity the manner in which his interest is adversely affected by this Order and shall address the criteria set forth in 10 CFR 2.714(d).

If a hearing is requested by the Licensee or a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any hearing. If a hearing is held, the issue to be considered at the hearing shall be whether this Order should be sustained.

Upon the Licensee's consent to the provisions set forth in Section IV of this Order, or on failure of the Licensee or Mr. Gary Wood to file an answer within the specified time, and in the absence of any request for hearing, the provisions specified in Section IV above shall be final without further Order or proceedings.

FOR THE NUCLEAR REGULATORY COMMISSION

  
Hugh L. Thompson, Jr.  
Deputy Executive Director for  
Nuclear Material Safety, Safeguards,  
and Operations Support

Dated at Rockville, Maryland  
this 28<sup>th</sup> day of November 1990

C & R Laboratories

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