

In Reply Refer To:  
License: 17-16653-02  
Docket: 30-17881/90-01

Department of the Army  
U.S. Army Engineering  
District, New Orleans  
Water Quality Laboratory  
ATTN: Colonel Richard V. Gorski  
District Engineer  
Foot of Prytania Street  
New Orleans, Louisiana 70160

Gentlemen:

This refers to the routine, unannounced radiation safety inspection conducted by Messrs. Selvan Rajendran and Gilbert L. Guerra, Jr. of this office on October 31, 1990, of the activities authorized by NRC Byproduct Material License 17-16653-02, and to the discussion of our findings held by the inspectors with you on November 8, 1990. The enclosed NRC Inspection Report 30-17881/90-01 documents this inspection.

The inspection was an examination of activities conducted under the license as they relate to radiation safety and to compliance with the Commission's rules and regulations and the conditions of the license. The inspection consisted of selective examination of representative records, interviews of personnel, and observations by the inspectors.

The inspection identified several violations of NRC regulations and conditions of your license. One of these violations is notable from a radiation safety perspective. It involved the disposal of an approximately 15-millicurie nickel-63 source as scrap metal. The NRC recognizes that the safety significance of this violation is minimal, given the small amount of radioactivity and the low energy of the radiation from the material. Nonetheless, the violation demonstrates the importance of maintaining adequate control of all radioactive material to ensure that improper handling or disposal does not occur. Also, although the other violations, two of which were repeat violations, may not be significant if viewed individually, we are concerned that collectively they reveal a lack of management oversight of the radiation safety program.

Although a violation of NRC requirements resulting in the improper disposal of licensed material could be classified as a Severity Level III violation under NRC's Enforcement Policy (10 CFR Part 2, Appendix C, Supplement IV), in this particular case we have classified the improper disposal as a Severity Level IV violation. Such violations in the future may result in a civil penalty.

\*RIV:MMLS  
SRajendran:gb  
/ /90

\*NMSIS  
GGuerra  
/ /90

\*C:NMLS  
WLFisher  
/ /90

\*EO  
GFSanborn  
/ /90

D:DRSS  
ABBeach  
1/10/90

\*Previously Concurred.

Consequently, you are required to respond to this matter in writing, in accordance with the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Your response should be based on the specifics contained in the Notice of Violation enclosed with this letter.

This letter also confirms the management conference conducted by telephone on December 4, 1990, between Messrs. William L. Fisher, Jack E. Whitten, and Selvan Rajendran of my staff and Col. Richard Gorski and other Corps of Engineers staff members. In the conference, the NRC presentation focused on the licensee's lack of program oversight and resulting loss of control of radioactive materials. As viewed by NRC staff, this oversight included not only the specific violations identified during the inspection, but also management's failure to implement corrective actions for violations observed during a previous inspection.

Licensee representatives responded by describing actions initiated since the inspection to restore proper management to the safety program. These actions included a plan to name on the license a radiation safety officer to implement the radiation safety program.

The response directed by this letter and the accompanying Notice is 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.

Should you have any questions concerning this letter, we will be pleased to discuss them with you.

Sincerely,

*Original Signed By:*

A. B. BEACH  
A. Bill Beach, Director  
Division of Radiation Safety  
and Safeguards

Enclosures:

1. Appendix A - Notice of Violation
2. Appendix B - NRC Inspection Report  
30-17881/90-01

cc:

Louisiana Radiation Control Program Director

bcc:

DMB - Original (IE-07)  
LAYandell  
\*CLCain  
\*GGuerra  
\*RIV Files (2)  
\*GSanborn

RDMartin  
MRodriguez, OC/LFDCB (4503)  
\*JEWWhitten  
\*NMSIS  
\*RSTS Operator  
\*JLieberman

ABBeach  
\*WLFisher  
\*SRajendran  
\*MIS System  
\*REHall, URFO

\*W/766