SEP - 9 1988

License No. 50-21114-01

Kenai Peninsula Borough 144 N. Brinkley Street Soldotna, Alaska 99699

Attention: G. S. Best Administrative Officer

Gentlemen:

SUBJECT: NRC IMSPECTION

This refers to the routine safety inspection conducted by Mr. J. F. Pang of this office on August 11, 1988 of activities authorized by NRC License No. 50-21114-01 and to the discussion of our findings held by Mr. Pang with Mr. Barnett and other members of your staff at the conclusion of the inspection.

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

Based on the results of this inspection, it appears that certain of your activities were not conducted in full compliance with NRC requirements, as set forth in the Notice of Violation enclosed as Appendix A to this letter. These items have been categorized into severity levels as described in the NRC Enforcement Policy, 10 CFR Part 2, Appendix C.

The findings from this inspection indicate two repetitive violations (see Appendix A, Items 1 & 2 from the inspection conducted on July 30, 1984.

We are concerned about the repetitive nature of the violations observed during our inspections. In addition to the need for corrective action regarding the specific violations included in Appendix A, we are concerned about the implementation of your management control system that allowed these repetitive violations to occur. Consequently, in your reply you should describe in particular those actions taken or planned to improve the effectiveness of your overall management control system.

Your response to this Notice is to be submitted in accordance with the provisions of 10 CFR 2.201 as stated in Appendix A, Notice of Violation.

The responses directed by this letter and the accompanying 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.

8809210169 880909 REG5 LIC30 50-21114-01 PDC If you have any questions on this matter or concerning this inspection, please telephone Mr. Pang on 415-943-3700.

Sincerely,

Original Signed

James L. Montgomery, Chief Nuclear Materials Safety and Safeguards Branch

Enclosure: Notice of Violation

bcc w/enclosure: Docket File State of Alaska A. Johnson G. Cook B. Faulkenberry J. Martin

M. Smith

J. Zollico.fer

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