



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-4005

September 17, 2007

EA Nos.: 07-180; 181; 182
NMED 060635

Mr. J. Mark Pusich, P.E.
Radiation Safety Officer
R&M Engineering, Inc.
6205 Glacier Highway
Juneau, AK 99801-7906

SUBJECT: NRC INSPECTION REPORT 030-22284/07-001, NOTICE OF VIOLATION,
AND INVESTIGATIVE CASE NO. 4-2007-012

Dear Mr. Pusich:

This refers to the safety inspection conducted from September 28, 2006 through August 29, 2007, which focused on two incidents involving the control and security of R&M Engineering's portable gauges. An investigation by the NRC's Office of Investigation was initiated on December 4, 2006. The investigation was initiated to determine whether employees of R&M Engineering, Inc., failed to: 1) secure a portable gauge while in transit; 2) meet NRC security requirements for a portable gauge; and 3) provide complete and accurate information to NRC. The enclosed inspection report represents the results of the inspection. A final telephonic exit briefing was held with you on August 29, 2007, after the investigation and inspection was concluded.

The inspection was based on a review of two incidents reported to NRC, a review of the investigation findings, and an examination of licensed activities as they relate to radiation safety and to compliance with the Commission's rules and regulations, as well as the conditions of your NRC license. Within these areas, the inspection consisted of a selected examination of procedures identified in your NRC license, and of the documented interviews with licensee personnel and members of the public having knowledge of these incidents.

Based on the results of this inspection, three apparent violations were identified and are being considered for escalated enforcement action in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's Web site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The first apparent violation involves the failure to use two independent physical controls to secure a portable gauge while the gauge was unattended in the rear of a company truck. The second apparent violation involves the failure to block and brace a portable gauge so that it could not change position during conditions normally incident to transportation, which resulted in the gauge falling out of a vehicle and a loss of control of licensed material. The third apparent violation involves the failure to block and brace a portable gauge while transporting it in the cab of a company truck.

The NRC is concerned that willfulness, in the form of careless disregard, is associated with one of the above apparent violations. Specifically, NRC is concerned that the failure to block and brace a portable gauge while transporting it in the cab of a truck was the result of careless disregard for NRC's requirements. Since the NRC has not made a final determination in this matter, a Notice of Violation (Notice) is not being issued for these inspection findings at this time. Additionally, please be advised that the number and characterization of apparent violations described in the enclosed inspection report may change as a result of further NRC review.

A closed predecisional enforcement conference (PEC) to discuss these apparent violations is tentatively scheduled for October 4, 2007. An agenda for the conference is included as Enclosure 3. The decision to hold a PEC does not mean that the NRC has determined that violations have occurred or that enforcement action will be taken. This conference is being held to obtain information to assist the NRC in making an enforcement decision. This may include information to determine whether a violation occurred, information to determine the significance of a violation, information related to the identification of a violation, and information related to any corrective action taken or planned to be taken. The conference will provide an opportunity for you to provide your perspective on these matters and any other information that you believe the NRC should take into consideration in making an enforcement decision. In presenting your corrective actions, you should be aware that the promptness and comprehensiveness of your actions will be considered in assessing any civil penalty for the apparent violations. The guidance in the enclosed excerpt from NRC Information Notice 96-28, "Suggested Guidance Relating to Development and Implementation of Corrective Action," may be helpful.

You should be aware that Section VII.A.1. of the NRC Enforcement Policy states, in part, that for violations involving the loss of a sealed source or device, the NRC should consider exercising discretion by escalating the amount of the proposed civil penalty, if any. This ensures that the proposed civil penalty reflects the significance of the circumstances. In addition, another example of a violation in which the NRC should consider exercising discretion by escalating the amount of any proposed civil penalty, is violations involving willfulness, including careless disregard.

You will be advised by separate correspondence of the results of our deliberations on this matter after the PEC. No response regarding these apparent violations is required at this time.

Instead of a PEC, you may request alternative dispute resolution (ADR) with the NRC in an attempt to resolve these issues. ADR is a general term encompassing various techniques for resolving conflict outside of court using a neutral third party. The technique that NRC has decided to employ is mediation. Additional information concerning the NRC's program is described in the enclosed brochure (NUREG/BR-0317) and can also be obtained at www.nrc.gov/about-nrc/regulatory/enforcement/adr.html. The Institute on Conflict Resolution (ICR) at Cornell University has agreed to facilitate the NRC's program as a neutral party. Please contact ICR at 877-733-9415 within 10 days of the date of this letter if you are interested in pursuing resolution of these issues through ADR.

In addition to the apparent violations discussed above, NRC has determined that two Severity Level IV violations of NRC requirements occurred. These violations were evaluated in accordance with the NRC Enforcement Policy and are cited in the enclosed Notice. These violations involve R&M Engineering's: 1) failure to provide information to the Commission that is complete and accurate in all material respects; and 2) transportation of a portable gauge

containing radioactive material without an approved Department of Transportation Type A package. These violations are cited in the enclosed Notice and the circumstances surrounding them are described in detail in the subject inspection report. The violations are being cited in the Notice because they were identified by NRC rather than being self-identified by R&M Engineering.

You are required to respond to this Notice and should follow the instructions specified in the Notice when preparing your response. You should refer to the information provided in the enclosed Information Notice 96-28 when considering your corrective actions. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at www.nrc.gov/reading-rm/adams.html. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

Should you have any questions regarding this letter, the enclosed report, or the enclosed Notice, please contact Vivian Campbell, Chief, Nuclear Materials Inspection Branch at 817-860-8217.

Sincerely,

/RA/

Leonard D. Wert, Director
Division of Nuclear Materials Safety

Docket No. 030-22284
License No. 50-23509-01

Enclosures:

1. Notice of Violation
2. NRC Inspection Report 030-22284/07-001
(with Attachment)
3. Predecisional Enforcement Conference Agenda
4. Excerpt from NRC Information Notice 96-28
5. NUREG/BR-0317

cc w/enclosures 1-3:
Alaska Radiation Control Program Director

bcc w/enclosures (via E-Mail Distribution):

OEMAILCENTER

OEWEB

RIDSNMSSOD

RIDSNMSSFSME

RIDSOGCMailCENTER

R4ALLEGATION

EECollins

TPGwynn

LWert

CLCain

VHCampbell

JEWhitten

MVasquez

CMaier

VLDricks

KDFuller

WAMaier

OI RIV Field Office

GLMorell, FSME

MBurgess, FSME

JRSchlueter, FSME

SWoods, OE

SLMerchant, OE

LSreenivas, OE

RITS Coordinator

NMIB

RIV Materials Docket File (5th Floor)

SUNSI Review Completed: ADAMS: ☒ X Yes Initials: LMG
☐ X Publicly Available ☐ X Non-

S:\dnms\!nmib\!Reports in Concurrence\R&M Inspection Report final r:\ dnms

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|---------------|-------------|-------------|--------------------------|-------------|
| RIV:DNMS:NMIB | C:NMIB | C:NMLB | ACES | D:DNMS |
| LMGersey | VHCampbell | JEWhitten | GMVasquez | LDWert |
| /RA/ | /RA/ | /RA/ | /RA MCMaier for / | /RA/ |
| 09/06/07 | 09/10/07 | 09/10/07 | 09/13/07 | 09/17/07 |

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T=Telephone E= E-Mail F=Fax

NOTICE OF VIOLATION

R&M Engineering, Inc.
Juneau, Alaska

Docket No.: 030-22284
License No.: 50-23509-01

Based on NRC's inspection and investigation conducted from September 28, 2006 through August 29, 2007, two violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. 10 CFR 30.9(a) requires, in part, that information provided to the Commission by a licensee be complete and accurate in all material respects.

Contrary to the above, the licensee did not provide to the Commission information that was complete and accurate in all material respects. Specifically, in a letter dated October 24, 2006, in response to NRC's letter dated September 28, 2006, requesting additional information concerning two transportation events, the licensee did not provide accurate information on two issues. First, the licensee stated that the gauge that was temporarily lost on August 19, 2006, was locked inside its transportation case. However, the NRC later determined that the transportation case was not locked when the gauge was lost. Secondly, the licensee stated that an employee transported a portable gauge in its transportation case to a restaurant and, upon arriving at the restaurant, removed the gauge from its case and stored it in the cab of the truck. The NRC later determined that the gauge was transported in the cab of the truck without a transportation case as the employee drove to and from the restaurant. The information provided by the licensee in both examples was material because it did not accurately portray the significance and severity of both transportation events.

This is a Severity Level IV violation (Supplement VII)

- B. 10 CFR 71.5(a) requires, in part, that a licensee who transports licensed material outside of the site of usage, as specified in the NRC license, or where transport is on public highways, or who delivers licensed material to a carrier for transport, shall comply with the applicable requirements of the regulations appropriate to the mode of transport of the Department of Transportation in 49 CFR Parts 171 through 180.

49 CFR 171.2(e) requires, in part, that no person may accept a hazardous material for transportation unless the hazardous material is properly packaged as required by the hazardous materials regulations.

49 CFR 173.475(a) requires, in part, that before each shipment of any Class 7 (radioactive) materials package, the offeror must insure by examination or appropriate tests, that the packaging is proper for the contents to be shipped.

49 CFR 173.415(a) requires, in part, that Type A general packaging for shipment to contain quantities of Class 7 (radioactive) materials not contain quantities exceeding the A_1 or A_2 value, as appropriate.

Contrary to the above, on a day late in August 2006, the licensee transported a portable gauge containing, special form, Class 7 (radioactive) material in quantities not exceeding A_1 values on a public highway without using an authorized package pursuant to 49 CFR 173.415(a). Specifically, late in August 2006, the licensee transported a portable gauge

containing 8 millicuries of cesium-137 and 40 millicuries of americium-241 on a public highway without using a Department of Transportation approved Type A package, or a package of any kind.

This is a Severity Level IV violation (Supplement V).

Pursuant to the provisions of 10 CFR 2.201, R&M Engineering, Inc., is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001 with a copy to the Regional Administrator, Region IV, U.S. Nuclear Regulatory Commission, 611 Ryan Plaza Drive, Suite 400, Arlington, Texas 76011-4005, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: 1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level, 2) the corrective steps that have been taken and the results achieved, 3) the corrective steps that will be taken to avoid further violations, and 4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an Order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time. If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

Because your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>, to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 74.21.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days.

Dated this 17th day of September 2007.

U.S. NUCLEAR REGULATORY COMMISSION
REGION IV

Docket No.: 030-22284
License No.: 50-23509-01
Report No.: 030-22284/07-001
EA Nos.: EA-07-180, EA-07-181, EA-07-182
Licensee: R&M Engineering, Inc.
Location: 6205 Glacier Highway, Juneau, AK 99801-7906
Dates: September 28, 2006 through August 29, 2007
Inspector: Linda M. Gersey, Health Physicist
Nuclear Materials Inspection Branch
Approved by: Vivian H. Campbell, Chief
Nuclear Materials Inspection Branch
Attachment: Supplement Inspection Information

EXECUTIVE SUMMARY

R&M Engineering, Inc., Juneau, Alaska
NRC Inspection Report 030-22284/07-001

This inspection report is based on the findings of the NRC investigation and inspection conducted from September 28, 2006 through August 29, 2007. The inspection included a review of the licensed activities involving the use of byproduct material in portable gauges at R&M Engineering, Inc.'s (R&M) Juneau, Alaska office.

Program Overview

- R&M is a portable gauge company located in Juneau, Alaska. Use of portable gauges is limited from April to mid-October due to the extreme weather conditions, and thus the company employs gauge users on a seasonal basis. The licensee uses gauges for soil testing on road, sewer, dam, and water projects. (Section 1)

Material Security and Control

- The licensee did not secure a portable gauge by a minimum of two independent physical controls to prevent unauthorized removal when the gauge was not under control and constant surveillance of the licensee, and when the gauge was being stored in the bed of the truck (not in transit). The failure to use two independent physical controls to prevent unauthorized removal of a portable gauge when it was not under the control and constant surveillance of the licensee was identified as an apparent violation of 10 CFR 30.34(i). (Section 2)

Transportation of Licensed Material

- On two occasions, the licensee did not properly block and brace portable gauges during transit. One occasion resulted in the gauge falling out of the truck bed and being recovered by a member of the public. The second occasion occurred when a licensee employee transported the gauge without its transportation case in the cab of a company truck. These failures were identified as apparent violations of 10 CFR 71.5(a) and 49 CFR 177.842(d). (Section 3)
- The licensee failed to transport a portable gauge in the appropriate U.S. Department of Transportation Type A package. This failure was identified as a violation of 10 CFR 71.5(a), 49 CFR 171.2(e), 49 CFR 173.475(a) and 49 CFR 173.415(a). (Section 3)

Information Provided by the Licensee

- The licensee provided information that was not complete and accurate in all material respects in response to NRC's request for information regarding two separate incidents. Specifically, concerning the first incident the licensee reported that the lost gauge was in a locked transportation case when, in fact, the case was not locked at the time of the loss. Secondly, the licensee reported that the gauge was transported in its transportation case and was only taken from the case and locked in the cab of the truck while parked at the restaurant when, in fact, the gauge was transported in the cab of the truck without its transportation case. This failure to provide complete and accurate information in all material respects was identified as a violation of 10 CFR 30.9(a). (Section 4)

Licensee Corrective Actions

- The licensee's radiation safety officer assured the NRC that in the future all gauge users, including seasonal employees, would be trained on the requirements of 10 CFR 30.34(i). In addition, the licensee re-engineered the tie-down system to ensure the blocking and bracing of the portable gauges in company truck beds will be secure during transit. (Section 5)

Report Details

1 Program Overview (87124)

1.1 Inspection Scope

The inspector reviewed the investigation report, R&M's NRC license, associated correspondence obtained from R&M, and the licensee's official NRC docket file. Collectively, these documents describe the licensee's radiation safety program.

1.2 Observations and Findings

R&M is a portable gauge company that conducts gauging activities on a seasonal basis due to extreme weather conditions during the winter months. Licensed gauge activities are typically conducted from April to mid-October. The licensee often utilizes seasonal authorized gauge users who are employed only during the working months. The licensee has three vehicles dedicated to transporting portable gauges to temporary job sites. The gauges are used on road, sewer, dam, and water projects. All work is dispatched from the Juneau office and is conducted in and around the Juneau area.

2 Material Security and Control (87124)

2.1 Inspection Scope

The inspector reviewed the investigation report and associated correspondence obtained from R&M to determine if the licensee maintained security and control of the portable gauges. Specifically, the review focused on incidents addressed in the investigation.

2.2 Observation and Findings

10 CFR 30.34(i) requires portable gauge licensees to use a minimum of two independent physical controls that form tangible barriers, in addition to the locked gauge within the locked transportation case, to secure gauges from unauthorized removal whenever portable gauges are not under the control and constant surveillance of the licensee.

The investigation revealed that on the morning of August 19, 2006, an authorized portable gauge user left the portable gauge unattended and unsecured in the bed of a company truck at R&M's office. While preparing for a job in the Juneau area, the authorized user placed the portable gauge in the bed of the truck with the tailgate closed, and pulled the "ratchet tie-down" mechanism. The ratchet tie-down was intended to push the transportation case against the tailgate to prevent movement of the package. The truck was also equipped with a cable that was intended to be used to thread through the transport case handles, but the user did not use the cable. Although the portable gauge source rod inside the case was locked, the transportation case was not locked. The authorized user then returned to the licensee's office to retrieve paperwork and associated items. While the user was in the office, the portable gauge was left unattended and unsecured in the bed of the company truck. When interviewed, the user admitted to leaving the portable gauge unattended, but stated that, at the time, he was not aware of the requirement for two independent physical controls to prevent the

removal of the portable gauge. The user also stated that he had not received training from R&M regarding the increased security requirements for the storage of portable gauges when not under the licensee's control and constant surveillance. A review of the pertinent training records and the testimony of the Radiation Safety Officer (RSO) indicated that the authorized user had not been trained on these requirements. The licensee's failure to use two independent physical controls that form a tangible barrier to secure the portable gauge from unauthorized removal while not under the control and constant surveillance of the licensee was identified as an apparent violation of 10 CFR 30.34(i).

2.2 Conclusions

One apparent violation of NRC requirements was identified involving the licensee's failure to implement the increased security requirements for portable gauges on one occasion.

3 **Transportation of Licensed Material (86740)**

3.1 Inspection Scope

The inspector reviewed the investigation report and associated correspondence obtained from R&M to determine if the licensee transported portable gauges in accordance with NRC and U.S. Department of Transportation (DOT) requirements. The review specifically focused on incidents addressed in the investigation.

3.2 Observations and Findings

10 CFR 71.5(a) requires, in part, that a licensee who transports licensed material on public highways comply with the applicable DOT requirements in Title 49 of the Code of Federal Regulations. 49 CFR 177.842(d) requires, in part, that packages of radioactive materials be blocked and braced in a manner that prevents the package from moving during normal conditions of transportation.

The inspection identified two occasions where the licensee failed to adequately block and brace a package prepared for transportation on public highways. The first occasion was discussed in Section 2.2. After retrieving the items from the licensee's office, the gauge user then proceeded to drive to the temporary job site in the Juneau area. As the gauge user exited the R&M parking lot onto Glacier Highway, the portable gauge transportation case slid against the truck tailgate, which fell open, and the case containing the portable gauge fell out of the truck. The gauge user did not realize that the gauge had fallen out the truck until he received a call from the RSO asking the user if he had his portable gauge. The authorized user then returned to the office where he learned that a street superintendent from the Public Works Department had found the case containing the portable gauge.

The street superintendent saw the gauge transportation case on the side of Glacier Highway, stopped and opened the case, and saw that a portable gauge was inside. The superintendent identified the owner of the portable gauge from the shipping label on the package and returned the gauge to the licensee's office. The licensee determined that the tailgate had failed to secure properly. Consequently, when the tailgate fell open, the

package was not blocked and braced properly for transportation. The failure of the licensee to properly block and brace the transportation case in the bed of the truck resulting in the loss of control of licensed material was identified as an apparent violation of 10 CFR 71.5(a) and 49 CFR 177.842(d).

A second incident involving the failure to block and brace a portable gauge during transportation occurred in late August 2006. Another authorized gauge user transported a gauge without its transportation case inside the cab of the truck from a temporary job site to a restaurant and then back to the job site. The empty transportation case was kept in the bed of the truck the entire time. The user stated that the gauge dial had fogged and he was using the truck heater to de-fog the dial. He stated that he knew the requirements for blocking and bracing the gauge during transportation, but he instead transported the gauge in the cab of the truck for field expediency. The failure of the licensee to properly block and brace the transportation case in the bed of the truck was identified as an apparent violation of 10 CFR 71.5(a) and 49 CFR 177.842.

10 CFR 71.5(a) requires, in part, that a licensee who transports licensed material on public highways comply with the applicable DOT requirements in Title 49. 49 CFR 171.2(e) requires, in part, that no person may accept a hazardous material for transportation unless the hazardous material is properly packaged as required by the hazardous materials regulations. 49 CFR 173.475(a) requires, in part, the shipper to ensure that a package containing radioactive material being offered for shipment meet the DOT packaging requirements. 49 CFR 173.415(a) identifies packages that are authorized for shipment of specific quantities and forms of radioactive material.

During the incident in late August 2006, the authorized gauge user transported the portable gauge without an approved transportation package in the cab of a company truck while traveling from a temporary job site to a restaurant and then back to the job site. The portable gauge contained quantities of radioactive material that required the use of an approved DOT Type A package. The failure to transport the portable gauge in its approved transportation package was identified as a violation of 10 CFR 71.5(a), 49 CFR 171.2(e), 49 CFR 173.475(a) and 49 CFR 173.415(a)

3.3 Conclusions

Two apparent violations of NRC requirements were identified involving the failure of authorized gauge users to properly block and brace the portable gauge during transportation. One incident resulted in a loss of control of licensed material. The second incident involved the authorized user transporting the gauge without blocking and bracing. A violation was identified involving the failure to transport a portable gauge in a DOT approved package.

4 Completeness and Accuracy of Information

4.1 Inspection Scope

The inspector's review of this program area included the NRC investigation report and associated correspondence obtained from R&M. Specifically, the review focused on the incidents addressed in the investigation.

4.2 Observations and Findings

10 CFR 30.9(a) requires, in part, the licensee to provide information to NRC that is complete and accurate in all material respects. In a letter dated September 28, 2006, NRC requested R&M to provide information regarding two incidents reported to NRC: 1) the loss of a gauge on August 19, 2006, and 2) the storage of a gauge in a company truck parked at a restaurant in late August 2006. Regarding the first incident, the licensee stated in a letter dated October 24, 2006, that the portable gauge, which was lost on August 19, 2006, had been in a locked transportation case during the incident. The NRC determined that the transportation case containing the gauge was not locked based on the statements of the member of the public, who opened the case. Regarding the second incident, the licensee stated that the gauge user had transported the gauge in its transportation case while traveling to the restaurant from the job site and had removed the gauge from the case while parked at the restaurant. Based on interviews with the authorized user, the NRC determined that the user had not transported the gauge in the transportation case, but had transported the gauge without its case in the cab of the truck to de-fog the face dial. The failure of the licensee to provide complete and accurate information in all material respects was identified as a violation of 10 CFR 30.9(a).

4.3 Conclusions

One violation of NRC requirements was identified involving the failure to provide complete and accurate information that was used by NRC to make a regulatory decision.

5 **Licensee Corrective Actions**

On August 29, 2007, the licensee discussed several preliminary corrective actions to prevent recurrence for several issues. One corrective action included re-engineering the tie-down system in the bed of all the company trucks to ensure appropriate blocking and bracing of packages containing radioactive material during transportation. The licensee also committed to train all gauge users, including seasonal employees, on the security requirements for portable gauges.

6 **Exit Meeting Summary**

A final exit meeting to review the findings as presented in this report was conducted telephonically on August 29, 2007, with the licensee's Manager of Land Surveying and the RSO.

ATTACHMENT

PARTIAL LIST OF PERSONS CONTACTED

Licensee

Mark Johnson, Manager of Land Surveying
Mark Pusich, RSO

INSPECTION PROCEDURES USED

87124 Fixed and Portable Gauge Programs
86740 Inspection of Transportation Activities

ITEMS OPENED, CLOSED, AND DISCUSSED

Opened

| | | |
|-------------------|-----|--|
| 030-22284/0701-01 | APV | Failure to use two independent physical controls to secure a portable gauge from unauthorized removal while not under the control and constant surveillance of the licensee [10 CFR 30.34(i) (EA-07-0180)] |
| 030-22284/0701-02 | APV | Failure to properly block and brace the transportation case in the bed of the truck resulting in a loss of control of licensed material [10 CFR 71.5(a), 49 CFR 177.842 (EA-07-181)] |
| 030-22284/0701-03 | APV | Failure to properly block and brace the transportation case in the bed of the truck [10 CFR 71.5(a), 49 CFR 177.832 (EA-07-182)] |
| 030-22284/0701-04 | VIO | Failure to transport a portable gauge containing radioactive material on a public highway without the authorized DOT package [10 CFR 71.5(a), 49 CFR 171.2(e), 49 CFR 173.475(a), 49 CFR 173.415(a)] |
| 030-22284/0701-05 | VIO | Failure to provide information to NRC that is complete and accurate in all material respects [10 CFR 30.9(a)] |

LIST OF ACRONYMS USED

| | |
|-----|-------------------------------|
| APV | Apparent Violation |
| CFR | Code of Federal Regulations |
| NOV | Notice of Violation |
| NRC | Nuclear Regulatory Commission |
| OI | Office of Investigation |
| RSO | Radiation Safety Officer |
| VIO | Violation |

PREDECISIONAL ENFORCEMENT CONFERENCE AGENDA

R&M ENGINEERING, INC.

October 4, 2007

1. INTRODUCTIONS/OPENING REMARKS – LEONARD WERT, NRC
2. ENFORCEMENT PROCESS – MICHAEL VASQUEZ, NRC
3. APPARENT VIOLATIONS & REGULATORY CONCERNS – VIVIAN CAMPBELL, NRC
4. LICENSEE PRESENTATION – R&M ENGINEERING, INC.
5. BREAK – 10 MINUTES
6. RESUMPTION OF CONFERENCE
7. CLOSING REMARKS – R&M ENGINEERING, INC.
8. CLOSING REMARKS – LEONARD WERT, NRC