

September 4, 1996

EA 96-314

Anderson Columbia Construction, Inc.
ATTN: Mr. Ted McRae
President
P. O. Box 1386
Lake City, Florida 32056-1386

SUBJECT: NRC INSPECTION REPORT NO. 999-90002/96-04

Dear Mr. McRae:

This refers to the inspection conducted on August 8, 1996, at the Plant No. 5 Bagdad, Florida facility. The purpose of the inspection was to follow up on your use of byproduct material at Eglin Air Force Base and Hurlburt Field, Florida without an NRC license. At the conclusion of this onsite inspection, the findings were discussed with you and members of your staff. The enclosed report presents the results of this inspection.

Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of selective examinations of procedures and representative records and interviews with personnel.

Based on the results of this inspection, one apparent violation was identified and is being considered for escalated enforcement action in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600. The apparent violation is described in Section 01 of the enclosed Inspection Report, and is associated with the failure of Anderson Columbia Construction, Inc. to have an NRC license to possess and use radioactive materials in areas of exclusive Federal jurisdiction. The circumstances surrounding the apparent violation, the significance of the issue, and the need for lasting and effective corrective action were discussed with you and members of your staff at the inspection exit meeting on August 8, 1996. As a result, it may not be necessary to conduct a predecisional enforcement conference in order to enable the NRC to make an enforcement decision. However, a Notice of Violation is not presently being issued for these inspection findings. Before the NRC makes its enforcement decision, we are providing you an opportunity to either (1) respond to the apparent violation addressed in this inspection report within 30 days of the date of this letter or (2) request a predecisional enforcement conference. Please contact Charles M. Hosey at (404) 331-5614 within seven days of the date of this letter to notify the NRC of your intended response.

Your written response should be clearly marked as a "Response to An Apparent Violation in Inspection Report No. 999-90002/96-04" and should include for the apparent violation: (1) the reason for the apparent violation, or, if contested, the basis for disputing the apparent violation, (2) the corrective

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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. In discussing 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 violation. The guidance in the enclosed NRC Information Notice 96-28, "SUGGESTED GUIDANCE RELATING TO DEVELOPMENT AND IMPLEMENTATION OF CORRECTIVE ACTION" may assist you in your response. Your response should be submitted under oath or affirmation and may reference or include previously docketed correspondence, if the correspondence adequately addresses the required response. If an adequate response is not received within the time specified or an extension of time has not been requested and granted by the NRC, the NRC will proceed with its enforcement decision or schedule a predecisional enforcement conference.

In addition, 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. You will be advised by separate correspondence of the results of our deliberations on this matter.

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

Should you have any questions concerning this letter, please contact us.

Sincerely,

(original signed by
D. M. Collins)

Bruce S. Mallett, Director
Division of Nuclear Materials Safety

Docket No.: 999-90002

Enclosures: 1. NRC Inspection Report No. 999-90002/96-04
2. NRC Information Notice 96-28
3. NRC Enforcement Policy

cc w/encls: State of Florida

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