

May 30, 1997

EA 97-166

Mark Jacob
Indianapolis Department of
Capital Asset Management
604 N. Sherman Drive
Indianapolis, IN 46201

SUBJECT: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY -
\$2750 (NRC Inspection Report No. 030-19629/97001(DNMS))

Dear Mr. Jacob:

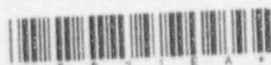
This refers to the inspection conducted on March 19, 1997, with continuing NRC review through April 7, 1997, at the Indianapolis Department of Capital Asset Management (IDCAM) in Indianapolis, Indiana. During the inspection, apparent violations of NRC requirements were identified. A copy of the NRC inspection report was sent to you on April 17, 1997. On May 6, 1997, a predecisional enforcement conference was conducted with Messrs. Smith and Jones of your staff to discuss the apparent violations, their causes, and IDCAM's corrective actions.

Based on the information developed during the inspection and the information that your staff provided during the conference including a letter signed by you and dated May 2, 1997, the NRC has determined that violations of NRC requirements occurred. These violations are cited in the enclosed Notice of Violation and Proposed Imposition of Civil Penalty (Notice) and the circumstances surrounding them are described in detail in the subject inspection report.

Eight violations were identified during the inspection and collectively they demonstrate a programmatic breakdown of control over licensed activities. The root cause of the violations appears to be a fundamental lack of oversight by the radiation safety officer (RSO) and by management particularly in light of IDCAM's contractual arrangements of permitting other firms to perform tests using IDCAM licensed material. In addition, the fact that these violations were identified by NRC further confirms the apparent deficiencies in the control of the program.

The number and nature of the violations identified in the Notice is of significant regulatory concern. Incumbent upon each NRC licensee is the responsibility to protect public health and safety by ensuring all requirements of the NRC license are met and any potential violations of NRC requirements are identified and corrected expeditiously. In this case, virtually all of the requirements associated with the license were violated, including areas of control and accountability which resulted in a programmatic breakdown. Therefore, these violations are classified in the aggregate in

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accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600, as a Severity Level III problem.

In accordance with the Enforcement Policy, a base civil penalty in the amount of \$2750 is considered for a Severity Level III problem. Because your facility has not been the subject of escalated enforcement actions within the last two inspections the NRC considered whether credit was warranted for *Corrective Action* in accordance with the civil penalty assessment process in Section VI.B.2 of the Enforcement Policy. During the predecisional enforcement conference, it was apparent that IDCAM has delegated responsibility for implementing the corrective actions to the RSO without plans to include management followup to ensure that the corrective actions were implemented. Since the violations collectively represent a significant lack of attention or carelessness toward licensed responsibilities, it is expected that licensee management would implement actions to increase its attention and involvement toward licensed responsibilities. Therefore, no credit for *Corrective Action* was warranted.

To emphasize the importance of management oversight, procedural compliance, and comprehensive correction of violations, I have been authorized, to issue the enclosed Notice of Violation and Proposed Imposition of Civil Penalty in the base amount of \$2750 for the Severity Level III problem. In addition, issuance of this Notice constitutes escalated enforcement action, that may subject you to increased inspection effort.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. 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 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response will be placed in the NRC Public Document Room (PDR).

Sincerely,

Original Signed By

J. Caldwell
A. Bill Beach

Regional Administrator

Docket No. 030-19629
License No. 13-19983-01

Enclosure: Notice of Violation and
Proposed Imposition of
Civil Penalty

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A. Bill Beach
Regional Administrator

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