



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV

511 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064

June 27, 1997

EA 97-263

Corrine Connelly, Operations Manager
Nuclear Imaging, Ltd.
109 South Petro Avenue
Sioux Falls, South Dakota 57107

SUBJECT: NRC INSPECTION REPORT 030-30273/97-01

Dear Ms. Connelly:

On May 30, 1997, the NRC completed an inspection of your licensed activities. At the conclusion of the on-site portion of the inspection conducted on April 15-16, 1997, at your Chamberlain, Oacaoma, and Sioux Falls, South Dakota facilities, the inspection findings were discussed with you and members of your staff. Additionally, a telephonic exit briefing was subsequently conducted with you on May 30, 1997.

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 involved the failure to adequately secure or keep under constant surveillance and immediate control a package containing byproduct material when in transit as required by 10 CFR 35.80(c). The apparent violation identified above is described in detail in the enclosed inspection report.

The inspection disclosed that on October 4, 1995, a shipping package containing approximately 300 millicuries of technetium-99m fell from the mobile nuclear medicine transport vehicle being used by Nuclear Imaging, Ltd. (NIL). The NIL internal report generated following this incident noted that the usual compartment used to transport radioactive shipping packages was not utilized due to a faulty latch. The failure to lock the latch of the compartment that was utilized allowed the door to open and the package to fall from the vehicle while in transit. The package was recovered within one-half hour of the incident and upon examination and survey, no external contamination or damage to the vials containing the technetium-99m was identified. Your actions to promptly and properly respond to the event were noteworthy. However, the failure to adequately secure packages during transport and the resulting loss of control of licensed material is of concern to NRC.

The circumstances surrounding the apparent violation, the significance of the issue, and the need for lasting and effective corrective action were discussed with you during the exit briefing on May 30, 1997. During these discussions, you stated that following the October 4, 1995, incident, NIL performed a comprehensive review to determine what corrective measures could be implemented to prevent a similar occurrence in the future.

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Following this review, NIL personnel were re-instructed in the importance of ensuring that all packages of radioactive material are properly secured while in transit. NIL technologists were also instructed that if a vehicle's outside storage compartment appears to have a faulty locking mechanism, packages are to be placed within the locked storage cabinets located in the imaging area of the vehicle to ensure safety and security of licensed material. 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 the inspection report within 30 days of the date of this letter or (2) request, within 7 days of the date of this letter, a predecisional enforcement conference.

Your response should be clearly marked as a "Response to An Apparent Violation in Inspection Report No. 030-30273/97-01" and should include (1) the reason for the apparent violation, or, if contested, the basis for disputing the apparent violation, (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 should be submitted under oath or affirmation and may reference or include previous 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 granted by the NRC, the NRC will proceed with its enforcement decision or schedule a predecisional enforcement conference.

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 violation. The guidance in the enclosed NRC information Notice 96-28, "SUGGESTED GUIDANCE RELATING TO DEVELOPMENT AND IMPLEMENTATION OF CORRECTIVE ACTION" may be helpful.

If you choose not to provide a response and would prefer participating in a predecisional enforcement conference, please contact Dr. D. Blair Spitzberg at (817) 860-8191 within 7 days of the date of this letter.

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.

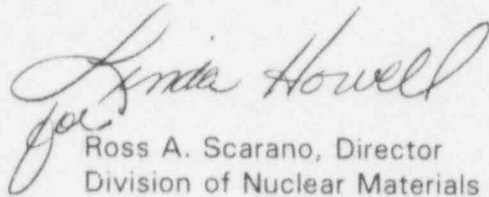
During the course of the inspection, it was also noted that an authorized location of storage for materials within Curt's Cycle Shop, Chamberlain, South Dakota, had been released from NIL's control. NIL failed to provide the NRC with decontamination survey documentation prior to releasing the facility. Since licensed material had been stored exclusively on the mobile nuclear medicine scanning vehicle at the Chamberlain location and the decontamination surveys conducted on the day of vacancy identified no residual

activity, this release of control does not constitute a violation of 10 CFR 30.36(d)(2) or the conditions of NIL's license. Although no violation of NRC regulations was identified in this case, you are encouraged to review NIL's administrative procedures to ensure that authorized locations of use and/or storage will not be released to unrestricted use prior to submitting decontamination survey results to the NRC for review and approval.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and your response will be placed in the NRC Public Document Room (PDR). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction.

Should you have any questions concerning this inspection or the enclosed report, please contact Dr. Spitzberg at the telephone number noted above.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ross A. Scarano".

Ross A. Scarano, Director
Division of Nuclear Materials Safety

Docket No.: 030-30273
License No.: 40-26908-01

Enclosures:

1. NRC Inspection Report 030-30273/97-01
2. NRC Enforcement Policy, NUREG-1600
3. NRC Information Notice 96-28

cc w/ Enclosure 1:
Minnesota Radiation Control Program Director
South Dakota Radiation Control Program Director

E-Mail report to Document Control Desk (DOCDESK)

E-Mail report (OEMAIL)

bcc w/Encl.1 to DCD (IE07)

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Nuclear Imaging, Ltd.

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