



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
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August 29, 2002

David Butcher, Director
Laboratory and Radiation Services Division
Department of Public Health and Environment
8100 Lowry Blvd.
Denver, CO 80230-6928

Dear Mr. Butcher:

A periodic meeting with Colorado was held on August 7, 2002. The purpose of this meeting was to review and discuss the status of Colorado's Agreement State Program. I have completed and enclosed a general meeting summary, including any specific actions that will be taken as a result of the meeting.

If you feel that our conclusions do not accurately summarize the meeting discussion, or have any additional remarks about the meeting in general, please contact me at (817) 860-8143 or e-mail VHC@NRC.GOV to discuss your concerns.

Sincerely,

/RA/

Vivian H. Campbell
Regional State Agreements Officer

Enclosures 1 and 2:

Enclosure 1: Agreement State Periodic Meeting
Summary for Colorado

Enclosure 2: Excerpt (Section 5) from
the Colorado 2001 IMPEP Report.

cc w/enclosures:
Paul Lohaus, Director, OSTP

David Butcher

-2-

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DOCUMENT NAME: S:\DNMS\SAO\Periodic Meetings\2002\Colorado summary.wpd
final: s:\dnms\ltrs-memos\

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AGREEMENT STATE PERIODIC MEETING SUMMARY FOR COLORADO

DATE OF MEETING: August 7, 2002

ATTENDEES:

NRC

Vivian Campbell, Regional State Agreements Officer

State of Colorado

David Butcher, Director, Laboratory and Radiation Services Division
Warren Jacobi, Program Manager, Radiation Services
Ken Weaver, Unit Leader for Licensing
Tim Bonzer, Unit Leader for Compliance

DISCUSSION:

The following is a summary of the meeting held in Denver, Colorado, on August 7, 2002, between representatives of the NRC and the State of Colorado. During the meeting, the topics suggested in the letter dated June 19, 2002, from Ms. Campbell to Mr. Butcher were discussed. The discussion pertaining to each topic is summarized below.

1. Action on Previous IMPEP Review Findings

The previous Integrated Materials Performance Evaluation Program (IMPEP) review was conducted during the period February 5 - 9, 2001. During the IMPEP, the team noted that the Program had started a new practice of not specifically identifying authorized users on medical institution licenses as an effort to streamline the processing of licensing actions. The State provided a status report on the effectiveness of this practice during the periodic meeting. A copy of this report has been forwarded under a separate memorandum to Office of State and Tribal Programs (OSTP).

The status of the recommendations outlined in Section 5.0 of the final IMPEP report were also discussed and are summarized below. (A copy of Section 5.0 of the IMPEP report is attached for reference.)

- a. **Recommendation:** The review team recommends that the Program develop and document a training and qualification program which address the training requirements in the NRC/Organization of Agreement States Training Working Group Report or Inspection Manual Chapter (IMC) 1246. (Section 3.3)

Current Status: The Program has developed and implemented a formalized training and qualification program. Management reviews and prioritizes the training of

Program staff. In addition, the Program provides refresher training on pertinent health physics topics.

It is recommended that this item be closed at the next IMPEP review.

- b. **Recommendation:** The review team recommends that the Program report all significant events to the NRC Emergency Operations Center in accordance with STP Procedure SA-300, "Reporting Material Events." (Section 3.5)

Current Status: The Program is reporting all significant events to the Operations Center. The NRC staff commented that the Program's process appears to be effective for initially reporting events. Based on review of Colorado's event information in the nuclear material events database (NMED), the NRC staff requested that the Program ensure that routine and follow up event information is provided to the NMED on a monthly basis and that events are closed out in the NMED system.

It is recommended that this item be reviewed at the next IMPEP review.

- c. **Recommendation:** The review team recommends that the uranium recovery program consistently provide written results of inspections and site visits to all licensees within 45 days of the completion of the inspection. (Section 4.4.1)

Current Status: The Program is providing written results of inspections and site visits to the uranium mill licensees. In addition, the Program sends a customer survey with the written report. The customer survey provides an opportunity for the licensee to provide feedback to the Program.

It is recommended that this item be closed at the next IMPEP review.

2. Strengths and Weaknesses of the Program

Program strengths:

The Program has qualified and experienced staff, and a low turnover rate. The Program has authorization to increase the staffing level by one full time equivalent (FTE). The Level 1 vacancy was posted and closed August 12, 2002. Management expects to fill this vacancy soon. This summer, the Program had a graduate student as an intern. Management found this arrangement to be beneficial to the Program and is pursuing a long term arrangement with the local university.

The Program has experienced stable funding during the period. On July 1, 2002, adjusted Program's fees became effective. Fees had not been adjusted since 1993. The Program's fee structure now includes a fee for licenses authorizing multiple facilities and a reciprocity fee for out of state licensees.

Program weaknesses:

Impending staff retirements continue to be the most significant weakness confronting the Program. The Program Manager officially announced his plan to retire effective October 4, 2002. The State has posted and closed the Program Manager's vacancy announcement. Sixty candidates applied for this position and the State's human resource office is currently screening the applications. As discussed above, management received approval to hire one additional FTE in order to address future staffing issues resulting from the retirement of qualified, experienced staff. Division management is planning for Program transition and long term stewardship.

3. State Feedback on NRC's Program

The Program management discussed the National Materials Program and emphasized the importance of the partnership between the Agreement States and the NRC. The management requested that NRC expeditiously implement this program.

The State cannot access documents in NRC's Agencywide Document Access and Management System (ADAMS). Program management expressed the need to access information on NRC policy issues. They have provided staff to work on NRC's working group on ADAMS. However, they have been unable to address this access issue. The SAO will refer this issue to NRC's information technology staff.

The State suggested that NRC consider sharing its General License database software with the Agreement States.

4. Recent or Pending State Program Changes

There are no pending State program changes with regard to reorganization, distribution of responsibilities, or budget. As discussed earlier, the Program is in the process of adding 1 FTE and replacing the Program Manager. The Program has adequate funding for training and instrumentation. The Program management discussed the potential effects on the regulatory process of the recently passed Health Bill 1408. The Bill requires receivers of classified waste to conduct public meetings and to pay the county for the cost of evaluating an environmental assessment. This county-sponsored evaluation is in addition to the environmental assessment completed by the Program. Currently, this Bill affects only one State licensee.

5. NRC Program or Policy Changes That Could Impact Agreement States

Ms. Campbell discussed the Region IV organization and NRC rulemaking and guidance development, specifically Part 35 and IMC 2800.

6. Internal Program Audits or Self Assessments

The Program Manager reviews monthly reports generated from a database on the status of inspections, incident investigations and licensing actions. The Program currently has no backlogs in inspection or licensing. The State meets NRC's reciprocity

inspection goals, with the exception of inspecting well loggers operating under reciprocity. The State finds it difficult to inspect well loggers primarily because of the lengthy travel time to the work location within the State.

7. Status of Allegations Referred by NRC to the State

No allegations were referred to the State by NRC during the period.

8. Compatibility of Colorado Rules and Regulations

As of the date of this meeting, the State's regulations were up to date. The State was on track to have future rule revisions completed before their assigned due dates. The NRC staff discussed a discrepancy in RATS ID 1996-3 on the State Regulation Status (SRS) Data Sheet. The State believes the rule on termination or transfer of licensed activities was adopted and became effective July 1, 1997. The SAO will refer this to OSTP for follow up.

9. Nuclear Material Events Database (NMED)

The State currently reports significant events to NRC's Operations Center. The State's process appears to be effective for initially reporting events. The NRC staff requested that routine and follow up event information is provided to the NMED on a monthly basis and that events are closed out in the NMED system. The State agreed to close out all events.

10. Schedule for next IMPEP Review

The next IMPEP is scheduled for fiscal year 2005.

**EXCERPT FROM THE COLORADO 2001 IMPEP REPORT
(SECTION 5)**

5.0 SUMMARY

As noted in Sections 3 and 4 above, the review team found Colorado's performance to be satisfactory for all nine performance indicators reviewed. Accordingly, the review team recommended and the MRB concurred in finding the Colorado Agreement State program to be adequate to protect public health and safety and compatible with NRC's program. Based on the results of the current IMPEP review, the next full review will be in approximately four years. Below is a summary list of recommendations, as mentioned in earlier sections of the report, for implementation and evaluation, as appropriate, by the State.

RECOMMENDATION:

1. The review team recommends that the Program develop and document a training and qualification program which address the training requirements in the NRC/Organization of Agreement States Training Working Group Report or IMC 1246. (Section 3.3)
2. The review team recommends that the Program report all significant events to the NRC Emergency Operations Center in accordance with STP Procedure SA-300, "Reporting Material Events." (Section 3.5)
3. The review team recommends that the uranium recovery program consistently provide written results of inspections and site visits to all licensees within 45 days of the completion of the inspection. (Section 4.4.1)

GOOD PRACTICE:

Based on the extended usefulness of photo documentation of decommissioning construction activities, the review team identified this to be a good practice. (Section 4.4)