

November 4, 2009

Thomas Hogan, Assistant Director  
Environmental Health Division  
Minnesota Department of Health  
625 Robert St., N.  
P.O. Box 64975  
St. Paul, MN 55164-0975

Dear Mr. Hogan:

A periodic meeting with your program was held on October 15, 2009. The purpose of the meeting was to review and discuss the status of Minnesota's Agreement State Program. The Nuclear Regulatory Commission was represented by Pat Loudon, Aaron McCraw, and me.

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 (630) 829-9661, or email to [james.lynch@nrc.gov](mailto:james.lynch@nrc.gov) to discuss your comments.

Sincerely,

*/RA/*

James L. Lynch  
Regional State Agreements Officer  
Division of Nuclear Materials Safety

Enclosure:  
As stated

cc w/ encl: George Johns, Supervisor  
Radioactive Materials Unit

AGREEMENT STATE PERIODIC MEETING SUMMARY FOR THE MINNESOTA ENVIRONMENTAL HEALTH DIVISION

DATE OF MEETING: OCTOBER 15, 2009

<b>NRC Attendees</b>	<b>Minnesota Attendees</b>
Jim Lynch, RSAO	Linda Bruemmer, Division Director
Pat Loudon, Deputy Division Director	Tom Hogan, Assistant Division Director
Aaron McCraw, FSME	George Johns, Unit Supervisor
	Sherrie Flaherty, Radiation Protection Specialist
	Sue McClanahan, Radiation Specialist
	Brandon Juran, Radiation Protection Specialist
	Bryce Armstrong, Radiation Specialist
	Norma Leland, Administrative Professional

**DISCUSSION:**

The Agreement State Program is administered by the Radioactive Materials Unit (the Unit), Indoor Environments and Radiation Section, Division of Environmental Health (the Division). The Division is a part of the Minnesota Department of Health. George Johns is the supervisor of the Radioactive Materials Unit. The Section manager position is currently vacant, with the recent promotion of Tom Hogan to Assistant Division Director. Minnesota regulates approximately 184 specific licenses. Management support for the Program appears excellent.

The State's initial IMPEP review was conducted in October 2007. The review team found Minnesota's performance to be satisfactory for all performance indicators reviewed. The review team also identified one good practice: the mailing of licenses by certified mail to help ensure appropriate delivery. Accordingly, the review team recommended, and the Management Review Board agreed, that the Minnesota Agreement State Program was adequate to protect public health and safety, and compatible with NRC's program.

Other topics covered at the meeting included:

Program Strengths: The diverse, competent staff is the most notable strength of the program. The Unit has excellent communications between staff members and has streamlined many processes without sacrificing the quality of regulatory products or the emphasis on protection of health and safety. The staff is very knowledgeable of the status of the program. Unit staff has a good understanding of new regulatory initiatives and associated expectations.

Enclosure

The Agreement State program has good managerial and financial support. Minnesota reached out to the North Dakota radioactive materials program which had lost its staff to attrition. The Unit Supervisor and staff members provided training and assistance in licensing and inspection to North Dakota staff. This was a commendable effort recognized by the Organization of Agreement States.

Program Weaknesses: Division managers noted that hiring in the State is very difficult and salary increases are unlikely under current financial conditions.

Feedback on NRC's Program:

The Unit expressed frustration with the National Source Tracking System (NSTS). A Minnesota licensee was unable to update the NSTS because the source vendor had apparently not updated the database to indicate that the source was transferred. The NRC representatives asked for detailed transaction information which can be provided to the NSTS program manager, for followup.

The Division indicated that they appreciated the good support they receive from NRC Region III and enjoy the good relationship and communication that they have with NRC in general. The Division was also appreciative of NRC's funding for Agreement State training.

Staffing and Training:

The Minnesota program has a Unit Supervisor, four technical staff, and an administrative support person. Three of the technical staff are fully trained and the fourth is working through his qualification journal. The staff members are cross-trained in all areas of the program. It was noted that the Supervisor and one of the senior technical staff members are retirement eligible. The Assistant Division Director stated that succession planning is being done to keep the program running smoothly as people leave the program.

Technical positions in the Unit now require a Bachelor's degree, a change made to upgrade the level of expertise in the program.

Consideration is being given to hiring a health physics intern from the St. Cloud State University health physics program.

Program Reorganizations:

The Unit has not experienced any program reorganizations since the previous IMPEP review and none are expected.

Changes in Program Budget/Funding:

The Unit has a solid source of funding through a dedicated fee fund. The Program is currently paying off the deficit that was incurred during the Agreement State startup. That deficit should be paid within a year.

Materials Inspection Program:

The Unit reported that they have not performed any inspections overdue and had no overdue inspections at the time of the meeting. The Unit typically performs between 70 and 80 inspections per year. The Unit is performing Increased Controls inspections in conjunction with the routine health and safety inspections. The frequency for inspections for licensees with Increased Control inspections is every two years but that frequency may be relaxed to three years depending on the recommendations of Inspection Manual Chapter 2800, which is currently under revision.

The Unit performs pre-licensing visits for all new license applicants that are unknown to the program. NRC staff explained the pre-licensing visit evaluation criteria used during IMPEP reviews appears to be more conservative than Minnesota's approach. NRC staff noted that the current policy for performing pre-licensing visits includes those applicants that have not held a license previously but have hired a known individual from a licensee's program. The Unit Supervisor indicated that they would ensure that their pre-licensing visit approach would be evaluated, and modified, if necessary to be comparable with NRC's procedure.

The Unit regularly performs reciprocity inspections, including, during the current year, 10 of 11 Priority 1, 2 and 3 reciprocity licensees. Looking at all priorities, approximately 67 percent of reciprocity licensees were inspected this year. Minnesota is easily meeting the inspection targets in Inspection Manual Chapter 1220.

Staff members were aware of the recent Information Notice issued by the NRC regarding industrial gauge shutter issues. Minnesota issued its version of the Information Notice to gauge licensees on October 20, 2009.

Materials Licensing Program:

License actions are kept current with no licensing backlog. License applications are generally completed within 4 weeks of receipt. All licensing actions are peer reviewed and then reviewed and signed by the Unit Supervisor. This 3-part review helps maintain accuracy and consistency of license documents.

Regulations and Legislative Changes:

The State is up to date on all regulation amendments currently required for compatibility. The State creates an annual rulemaking package to incorporate changes made by NRC in the past year. The regulation promulgation process takes approximately 1 to 1.5 years to complete. The current 10 CFR Part 37 and general license rulemaking initiatives were discussed.

Event Reporting, including Follow-up and Closure Information in NMED:

The Bureau had reported eight events to NMED since the 2007 IMPEP review. All of the events were appropriately reported to the NRC, and were properly entered into, and updated, within NMED. Very good communication with Region III was noted during events.

Response to Incidents and Allegations:

The Unit continues to be sensitive to notifications of incidents and allegations. Incidents are quickly reviewed for their affect on public health and safety. Staff is dispatched to perform onsite investigations when necessary. The Unit Supervisor has placed a high emphasis on maintaining an effective response to incidents and allegations.

Status of Allegations and Concerns Referred by the NRC for Action:

The NRC did not refer any allegations to Minnesota since the last IMPEP review. Several allegations were received directly by the State during the period and were investigated appropriately and in a timely fashion.

Significant Events and Generic Implications:

The Unit did not identify any significant events or generic issues since the 2007 IMPEP review.

Current State Initiatives:

After positive encouragement from the NRC during the Monticello nuclear power plant ingestion exercise, a Unit staff member accompanied an NRC inspector during a reactor inspection. The accompaniment provided valuable insight to the State and increased communications with the NRC. Future accompaniments are planned, and were encouraged by NRC staff.

The Unit holds semiannual meetings with licensee medical physicists to discuss regulatory issues, recent industry problems, and methods for increasing communication. These meetings have been very successful and were well received by the medical physics community. Information was shared with the NRC staff so that a similar effort could be instituted for NRC Region III licensees.

A meeting is also being planned to meet with industrial radiography licensees to discuss options for obtaining portable shielding material in the event of an unshielded source event. This issue came to light during a recent radiography incident.

Emerging Technologies:

None noted.

Large, Complicated, or Unusual Authorizations for use of Radioactive Materials:

None noted.

State's Mechanisms to Evaluate Performance:

The Unit uses peer reviews of licensing actions and inspection reports to insure the quality of regulatory products. Inspectors are accompanied annually by the Unit Supervisor.

Current NRC Initiatives:

NRC staff discussed ongoing initiatives with the Minnesota representatives. These included pre-licensing guidance, national source tracking, web based licensing, safety culture, and generally licensed devices.

CONCLUSIONS:

The Minnesota Agreement State Program remains a strong, stable program with excellent management support. Staffing has remained consistent since the Agreement and the training level for staff members is on target. The State has established innovative outreach programs to physicists, radiographers and neighboring Agreement States. Minnesota managers indicated that they will continue to support the IMPEP program, which they view as a valuable process.

Schedule for the Next IMPEP Review:

NRC staff recommends that the next IMPEP review to be held, as currently scheduled, in late 2011.