

July 20, 1998

Mr. Robert G. Card
[]
Kaiser-Hill Company, L.L.C.
Rocky Flats Environmental Technology Site
P.O. Box 464
Golden, CO 80402-0464

Subject: Enforcement Letter
Noncompliance Reports
NTS-RFO--KHLL-SITEWIDE-1997-0006
NTS-RFO--KHLL-371OPS-1997-0002
NTS-RFO--KHLL-SITEWIDE-1997-0010
NTS-RFO--KHLL-SITEWIDE-1998-0001

Dear Mr. Card:

This letter refers to the Department of Energy's (DOE) evaluation of noncompliances reported in four Noncompliance Tracking System (NTS) entries, identified in the subject line above. The four NTS reports were submitted between September 24, 1997, and March 3, 1998. The reports identified potential noncompliances with requirements of 10 CFR 830.120 (Quality Assurance Rule) and 10 CFR 835 (Radiation Protection Rule).

The Office of Enforcement and Investigation evaluated these NTS reports based on the similar areas of noncompliance identified in the reports and in the root cause analysis reports. The four reports describe recurring weaknesses in the implementation of the Quality Assurance (QA) Rule requirements applicable to the work of Kaiser-Hill Company, L.L.C. (Kaiser-Hill) and its subcontractors at Rocky Flats. The circumstances described in the four NTS reports are summarized below.

NTS-RFO--KHLL-SITEWIDE-1997-0006: On September 8, 1997, Kaiser-Hill identified repetitive problems documented in Radiological Deficiency Reports with work performed by a subcontractor, Rocky Flats Engineers & Constructors (RFEC). The problems involved (1) violations of work control documentation, (2) violations of radiological work permits, and (3) violations of radiological postings occurring between June 2, 1997, and September 16, 1997. Due to the repetitive nature of the incidents and the potential safety implications for workers, Kaiser-Hill reported the noncompliance to DOE on September 24, 1997.

NTS-RFO--KHLL-371OPS-1997-0002: Between June 16, 1997, and September 30, 1997, RFEC field-fabricated and installed 179 seismic supports for fire protection, cooling water, chilled water, and domestic water piping in the attic of Building 371. On September 30, 1997, Building 371 management, RFEC project quality control inspector, and project construction forces signed the Beneficial Occupancy Notice for these facility modifications attesting that the work was completed. Subsequently a planned project field verification walkdown and drawing update effort by RFEC personnel discovered and reported problems with the modifications. They determined that 154 of 179 supports were not constructed in accordance with the design documents.

NTS-RFO--KHLL-SITEWIDE-1997-0010: On October 15, 1997, during a review of findings from recent audits, Kaiser-Hill determined that a programmatic breakdown in the management of subcontractors performing nuclear safety related activities at Rocky Flats may have occurred. Kaiser-Hill cited several examples of subcontractor deficiencies including (1) violations of work control requirements by RFEC during the removal of a Representative Air Sampler; (2) the use of incorrect design standards, (3) inadequate procedures; (4) inadequate procedure implementation by Roy F. Weston Inc. during a project to replace underground storage tanks; and (5) failure of the Denver West Remediation and Construction Company to have a documented Management Assessment Program. Kaiser-Hill concluded that it and its subcontractors may not have devoted sufficient management attention to the performance of subcontractors.

NTS-RFO--KHLL-SITEWIDE-1998-0001: Kaiser-Hill and RFEC audits beginning September 24, 1997, found significant deficiencies in the implementation of the RFEC QA program. Kaiser-Hill identified that out of nine 10 CFR 830.120 criteria assessed, five were found to have significant deficiencies. Due to these findings, Kaiser-Hill transmitted a Cure Notice letter to RFEC on November 21, 1997.

In response, RFEC submitted a corrective action plan to Kaiser-Hill on December 3, 1997. The breakdown in QA program implementation led directly to added costs for rework and reevaluation of some of the projects performed by RFEC, including the defective installation of piping supports in Building 371. Kaiser-Hill identified that implementation of the RFEC QA program suffered a significant and pervasive breakdown during the second half of 1997. This breakdown appears to have led to potential violations of DOE QA and radiological protection requirements.

As integrating management contractor, Kaiser-Hill bears ultimate responsibility for the performance of all subcontractors under its direction. Although a breakdown in the implementation of the QA Rule requirements has occurred with some of the subcontractors identified above and in the oversight of contractors by Kaiser-Hill, it is also evident that processes are in place to self identify these problems and to implement corrective action. The QA deficiencies were identified by Kaiser-Hill and its subcontractors before they resulted in a more serious condition adverse to safety. Additionally, comprehensive and timely corrective actions were taken for these cases. Because DOE wants its contractors to develop and maintain effective self-assessment and corrective action processes, we are deferring any enforcement action at this time. DOE emphasizes that our decision to defer enforcement action should not be interpreted as tolerance for continued noncompliance with the QA Rule requirements. On the contrary, if the identified deficiencies are not corrected, then our decision will be reevaluated. A member of my staff will continue to coordinate the review of the status of your corrective actions with the DOE-RFFO Price-Anderson Coordinator.

If you would like to discuss these matters further, please contact Sharon Hurley of my staff at 301-903-0100.

Sincerely,

R. Keith Christopher
Director
Office of Enforcement and Investigation

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