

January 3, 2014

EN 49556  
NMED 130560 (Closed)

Mr. Randy Morton, Branch Manager  
ATC Group Services, Inc.  
7988 Centerpoint Drive, Suite 100  
Indianapolis, IN 46256-3345

SUBJECT: NRC REACTIVE INSPECTION REPORT NO. 03013245/2013001(DNMS) AND  
ACKNOWLEDGEMENT OF WRITTEN REPORT DATED DECEMBER 18, 2013 –  
ATC GROUP SERVICES, INC.

Dear Mr. Morton:

On December 4, 2013, two inspectors from the U.S. Nuclear Regulatory Commission (NRC) conducted a reactive inspection at your office in Indianapolis, Indiana. The purpose of the inspection was to review activities surrounding your report on November 19, 2013, concerning a stolen portable gauge. Geoffrey M. Warren and Zahid Sulaiman of my staff discussed with you and your staff the findings of the onsite inspection at an exit meeting on December 4, 2013. The enclosed report presents the results of this inspection.

During the inspection, the NRC staff examined activities conducted under your license related to public health and safety. Additionally, the staff examined your compliance with the Commission's rules and regulations as well as the conditions of your license. Within these areas, the inspection consisted of selected examination of procedures and representative records and interviews with personnel.

Based on the results of this inspection, one open item was identified concerning the failure to control and maintain constant surveillance of licensed material that was not in storage, as required by Title 10 of the *Code of Federal Regulations* (CFR) Part 20.1802. The events surrounding the stolen gauge and the open item are described in the attached inspection report. The NRC will continue to review the open item, and you will be advised by separate correspondence of the results of our deliberations on the matter. No response to this letter is required at this time. Any required actions will be addressed in future correspondence.

In addition, this letter acknowledges receipt of your letter dated December 18, 2013, providing the written report concerning the stolen gauge as required by 10 CFR 20.2201(b). The NRC has reviewed your letter and has no further questions at this time.

R. Morton

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In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, will be made available electronically for public inspection in the NRC's Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC's website at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made publicly available without redaction.

Please feel free to contact Mr. Warren if you have any questions regarding this inspection. Mr. Warren can be reached at 630-829-9742.

Sincerely,

/RA/

Aaron T. McCraw, Chief  
Materials Inspection Branch  
Division of Nuclear Materials Safety

Docket No. 030-13245  
License No. 13-17732-01

Enclosure:  
Inspection Report No. 03013245/2013001(DNMS)

cc w/encl: Mr. Russ Bennett, Radiation Safety Officer  
State of Indiana

R. Morton

- 2 -

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Aaron T. McCraw, Chief  
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Division of Nuclear Materials Safety

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cc w/encl: Mr. Russ Bennett, Radiation Safety Officer  
State of Indiana

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**U.S. Nuclear Regulatory Commission  
Region III**

Docket No. 030-13245

License No. 13-17732-01

Report No. 03013245/2013001(DNMS)

Licensee: ATC Group Services, Inc.

Facility: 7988 Centerpoint Drive, Suite 100  
Indianapolis, IN 46256-3345

Inspection Date: December 4, 2013

Exit Meeting Date: December 4, 2013

Inspectors: Geoffrey M. Warren, Senior Health Physicist  
Zahid Sulaiman, Health Physicist

Approved By: Aaron T. McCraw, Chief  
Materials Inspection Branch  
Division of Nuclear Materials Safety

Enclosure

## **EXECUTIVE SUMMARY**

### **ATC Group Services, Inc. NRC Inspection Report 03013245/2013001(DNMS)**

Two inspectors from the U.S. Nuclear Regulatory Commission (NRC) conducted a reactive inspection on December 4, 2013, in response to a report of a stolen portable moisture/density gauge. ATC Group Services, Inc. doing business as Cardno ATC (licensee), reported to the NRC the loss of a portable moisture/density gauge on November 19, 2013. On November 18, 2013, a licensee technician left a Troxler Model 3411-B portable gauge secured in the back of a truck in a parking lot at a store in Indianapolis, Indiana, but left the driver's side door unlocked and the vehicle key in the ignition. While the gauge was reportedly secured in the back of the truck in accordance with the requirements of Title 10 of the *Code of Federal Regulations* (CFR) 30.34(i), the technician did not maintain control or surveillance of the truck containing the gauge. The inspectors identified an open item under 10 CFR 20.1802, concerning the licensee's failure to control and maintain surveillance of licensed material not in storage. The NRC will continue to review the open item and advise the licensee by separate correspondence of the results of the deliberations on the matter.

The root cause of the open item was personal error. The technician left the vehicle unsecured despite being recently trained on the licensee's driver's code of conduct, which requires locking the vehicle when unattended.

As corrective action for the open item, the licensee terminated the technician from employment on November 19, 2013. In addition, the RSO provided a notice to all technicians in the office describing the event, reminding them about the licensee's policies on transport and security of gauges, and stating that not following these policies is grounds for termination. This notice was issued on November 19, 2013. The RSO contacted each technician individually to restate these points.

## **REPORT DETAILS**

### **1 Program Overview**

The licensee was authorized under NRC Materials License No. 13-17732-01 to use portable gauges containing licensed material for measuring physical properties of materials. Licensed material was authorized to be used at specific facilities in Indiana and at temporary job sites in NRC jurisdiction. Licensee personnel used the gauges for construction engineering projects throughout Indiana daily during construction season. Authorized gauges included Troxler Model 3400 series gauges, each such gauge containing cesium-137 and americium-241:beryllium sealed sources.

### **2 Events surrounding theft of portable gauge**

#### **2.1 Inspection Scope**

On December 4, 2013, the inspectors reviewed the events surrounding the licensee's report on November 19, 2013, of a stolen gauge by interviewing licensee staff and reviewing documents relevant to the theft and the technician's training. The technician was not available for interview.

#### **2.2 Observations and Findings**

On November 18, 2013, a licensee-employed field technician was transporting a Troxler Model 3411-B portable gauge in a company-owned, open-bed truck from a temporary job site in Indianapolis, Indiana, to his home in Crawfordsville, Indiana. The technician parked in a store parking lot on West 38<sup>th</sup> Street in Indianapolis and entered the store. According to the police report, he stated that he left the truck with the driver's side door unlocked and with the keys in the ignition. When he left the store, at least 45 minutes later, the truck and gauge were gone. The technician contacted the police immediately to report the theft. The technician then contacted the licensee's office after hours and left a voice message for the Radiation Safety Officer (RSO), reporting the theft. According to the licensee's RSO, the gauge was secured in the back of the truck in accordance with the requirements of Title 10 of the *Code of Federal Regulations* (CFR), Section 30.34(i), and the keys to remove and unlock the gauge were not in the truck when it was stolen.

The failure to lock the truck in the parking lot is an open item concerning 10 CFR 20.1802, which requires that the licensee control and maintain constant surveillance of licensed material that is in a controlled or unrestricted area and that is not in storage.

The root cause of the open item was personal error. The technician had been trained during October 2013 on the licensee's Driver's Code of Conduct, which included the statement that "I will lock the Cardno-provided vehicle when unattended." He signed a statement on October 8, 2013, that he had read and understood the policy. As corrective action, the licensee fired the technician on November 19, 2013. In addition, the RSO provided a notice to all technicians in the office describing the event, reminding them about the licensee's policies on transport and security of gauges, and stating that not following these policies is grounds for termination. This notice was issued on

November 19, 2013. The RSO contacted each technician individually to restate these points.

In August 2009 the licensee had reported a portable gauge stolen from a technician's home. No violation was cited as a result of the stolen gauge. According to the licensee, this was the same technician who was in possession of the gauge that was stolen in this event.

As of December 18, 2013, neither the truck nor the gauge had been recovered.

## **2.3 Conclusions**

The inspectors identified an open item concerning 10 CFR 20.1802 and the failure to control and maintain constant surveillance of licensed material not in storage. The licensee has taken actions to restore compliance with this requirement.

## **3 Reporting of event**

### **3.1 Inspection Scope**

The inspectors reviewed the licensee's reporting of the stolen gauge event to the NRC by reviewing documentation of reports and interviewing the RSO about future reporting.

### **3.2 Observations and Findings**

On November 19, 2013, the licensee's RSO became aware that a gauge had been stolen upon receiving the technician's voice message. He reported this to the NRC Operations Center immediately by telephone as required by 10 CFR 20.2201(a)(1)(i). The telephonic report included all required information.

On December 19, 2013, the NRC received a letter dated December 18, 2013, providing a written report concerning the stolen gauge. The letter was received within thirty days following the initial report as required by 10 CFR 20.2201(b) and addressed all topics required by the regulation.

### **3.3 Conclusions**

The inspectors identified no violations concerning the licensee's initial telephonic or written reports to the NRC about a stolen portable gauge.

## **4 Exit Meeting Summary**

The NRC inspectors presented preliminary inspection findings following the onsite inspection on December 4, 2013. The licensee did not identify any documents or processes reviewed by the inspectors as proprietary. The licensee acknowledged the findings presented.

### **LIST OF PERSONNEL CONTACTED**

- # Russ Bennett, Field Operations Manager, Radiation Safety Officer
- # Kevin Hendrickson, P.E., Construction Testing Manager
- # Randy Morton, Branch Manager

# Attended exit meeting on December 4, 2013.

### **INSPECTION PROCEDURES USED**

87124: Fixed and Portable Gauge Programs