

ENCLOSURE 6 – INSPECTION RECORD

Region III

Inspection Report No. 2014001

License No. 21-26460-03E
Docket No. 030-38679

Licensee: Cammenga & Associates, LLC
2011 Bailey Street
Dearborn, MI 48124

Location Inspected: 2011 Bailey Street, Dearborn, MI 48124

Licensee Contact: Christopher J. Karchon, Vice President of Sales
Telephone No. (313) 914-7160

Priority: 5 Program Code: 03254

Date of Last Inspection: August 15, 2013 (for previous “-02E” license, since expired)

Date of This Inspection: February 28, 2014 with continued review until March 13, 2014

Type of Inspection: (X) Initial () Announced (X) Unannounced
() Routine () Special

Next Inspection Date: August 15, 2018 () Normal (X) Reduced

Justification for reducing the routine inspection interval:

To keep the routine inspections for the possession and distribution licenses in sync. This was an initial inspection of a known entity because their previous distribution license had expired.

Summary of Findings and Actions:

- () No violations cited, clear U.S. Nuclear Regulatory Commission (NRC) Form 591 or regional letter issued
() Non-cited violations (NCVs)
() Violation(s), Form 591 issued
(X) Violation(s), regional letter issued
() Follow-up on previous violations

Inspector: /RA/
Andrew M. Bramnik, Health Physicist

Date: **3/31/2014**

Approved: /RA/
Aaron T. McCraw, Chief, Materials Inspection Branch

Date: **3/31/2014**

PART I-LICENSE, INSPECTION, INCIDENT/EVENT, AND ENFORCEMENT HISTORY

1. AMENDMENTS AND PROGRAM CHANGES:

<u>AMENDMENT #</u>	<u>DATE</u>	<u>SUBJECT</u>
Amendment No. 12	June 19, 2013	Added product information details to “-02E” distribution license
	July 31, 2013	“-02E” license expired
Amendment No. 0	September 17, 2013	New “-03E” distribution license issued

2. INSPECTION AND ENFORCEMENT HISTORY:

No violations of the exempt distribution license were identified during the previous routine inspections on October 29, 2008, and August 15, 2013. No violations of the company’s possession license were identified during those inspections as well.

3. INCIDENT/EVENT HISTORY:

None.

PART II – INSPECTION DOCUMENTATION

1. ORGANIZATION AND SCOPE OF PROGRAM:

Cammenga & Associates possessed two NRC licenses: License No. 21-26460-01 authorized the licensee to possess self-luminous tritium vials to be installed in compasses and knives for sales to both civilian and military clients. License No. 21-26460-03E authorized the licensee to distribute its tritium products to persons exempt from the requirements for a license pursuant to 10 CFR 30.19. The exempt distribution license was issued on September 17, 2013, after the previous license (“-02E”) expired on July 31, 2013. This item is discussed in greater detail in Sections 2 and 4 below.

The licensee employed less than 20 people at its facility in Dearborn, Michigan in management, package receipt, assembly, and distribution roles. The Operations Manager also served as the Radiation Safety Officer (RSO) for the possession license. The company distributed approximately 80,000 to 90,000 tritium-bearing compasses annually to the military and other domestic and international customers.

2. SCOPE OF INSPECTION:

Inspection Procedure Used: 87125
Focus Areas Evaluated: Sections 3.01 through 3.07

This was an initial inspection of the “-03E” exempt distribution license issued on September 17, 2013. The inspection was conducted at the licensee’s facility located in Dearborn, Michigan, and included in-office review of information not available during the onsite inspection. The inspection focused on activities conducted since the licensee’s previous “-02E” exempt distribution license expired on July 31, 2013.

The onsite inspection consisted of a tour of the facility and interviews with licensee personnel. The licensee's production staff demonstrated how byproduct material was assembled into a compass, packaged for sale, and then packaged for distribution. The staff member described how each package was marked and labeled according to NRC regulations and license commitments. The inspector verified that the licensee had changed its marking and labeling of products to use the new "-03E" license number instead of "-02E," as required by Condition 12 of NRC License No. 21-26460-03E. In an interview, the licensee's Vice President stated that all of the company's exempt products were stamped using the new license number as required by the license condition.

The licensee's RSO was not available during the onsite inspection, and the licensee offered to collect information and records to send to the inspector upon her return. The inspector discussed the license renewal and new license issuance process with the company Vice President. The licensee described some confusion between the renewal of its possession and distribution licenses after working with NRC personnel in July 2013. Specifically, after talking with a representative from the NRC, the company believed that an extension for their possession license while it was being reviewed also meant that their exempt distribution license was extended. The Vice President stated that they were made aware that their exempt distribution license had expired in early August. At that time, Cammenga & Associates contacted a licensing Branch Chief at NRC Headquarters who directed them to submit a renewal application as soon as possible. The company submitted a renewal application to NRC Headquarters on August 6, 2013. According to the Vice President and the RSO, the NRC stated that Cammenga & Associates needed to apply for a new license altogether. Cammenga & Associates submitted an application for a new license on August 13, 2013.

On March 4, 2014, the licensee's Vice President of Sales sent an e-mail to the inspector. The e-mail discussed the actions the licensee took for its license renewal as well as answers to several questions asked during the onsite inspection. The licensee's e-mail included the following details:

"We received an email from Ryan Craffey late in the afternoon of September 5, 2013 stating we were no longer able to ship out Tritium products from our facility. This large package was approved on September 17th, 2013 (New License #21-26460-03E). In between the period of September 6 through September 17, 2013 no products containing Tritium left our facility.

Per your request, I have done an analysis with Debby Spykerman regarding any items containing Tritium that shipped during the period during our exemption license expiration. During the period of August 1, 2013 – September 5th, 2013 the following Tritium products left our facility:

We shipped out 6400 compasses to the Defense Logistics Agency (DLA) on August 2, 2013. This accumulates to 768 Curies of activity. The other products that left the facility in between the aforementioned dates totals 419.29 Curies of activity. The total Curie amount that left our facility during the period equals 1,187 Curies of H-3 Tritium Activity."

The inspector verified that the licensee did not export byproduct material to any embargoed international destinations and otherwise complied with the export

requirements in 10 CFR Part 110. The inspector did not identify any other issues during the onsite inspection.

3. INDEPENDENT AND CONFIRMATORY MEASUREMENTS:

Because this inspection focused on exempt distribution of products containing sealed sources of tritium, the inspector did not conduct any independent or confirmatory measurements.

4. VIOLATIONS, NCVs, AND OTHER SAFETY ISSUES:

The inspector identified one Severity Level IV violation:

Title 10 of the *Code of Federal Regulations* (CFR) Section 30.3 states, in part, that "no person shall manufacture, produce, transfer, receive, acquire, own, possess, or use byproduct material except as authorized in a specific or general license issued in accordance with the regulations in this chapter."

Condition 9 of NRC License No. 21-26460-02E authorized Cammenga & Associates to distribute self-luminous compasses and knives containing sealed sources of byproduct material to persons exempt from the requirements for a license pursuant to 10 CFR 30.19.

Condition 4 of NRC License No. 21-26460-02E stated that the expiration date of the license was July 31, 2013.

Contrary to the above, between August 1, 2013 and September 5, 2013, the licensee distributed products containing sealed sources of byproduct material to persons after the distribution license had expired. Specifically, the licensee distributed products containing a total of 1,187 curies of tritium to persons exempt from the requirements for a license.

The root cause of the violation was a misunderstanding of the requirements to renew both the company's exempt distribution license as well as its possession license prior to their expiration. As a corrective action, the licensee submitted documentation for a new exempt distribution license on August 13, 2013. The NRC issued a new exempt distribution license to Cammenga & Associates on September 17, 2013.

5. PERSONNEL CONTACTED:

#* Christopher Karchon, Vice President of Sales
* Deborah Spykerman, Radiation Safety Officer
Cammenga & Associates production staff

Individual present at preliminary onsite exit meeting on February 28, 2014
* Individuals present at final telephone exit meeting on March 13, 2014

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