



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

REGION III
2443 WARRENVILLE RD. SUITE 210
LISLE, IL 60532-4352

April 1, 2014

Ms. Laura Dresen
Hazmat Programs Chief (Interim)
Indiana Department of Homeland Security
302 West Washington Street, E-241
Indianapolis, IN 46204

SUBJECT: NRC ROUTINE INSPECTION REPORT NO. 03037731/2014001(DNMS) AND
NOTICE OF VIOLATION – INDIANA DEPARTMENT OF HOMELAND
SECURITY

Dear Ms. Dresen:

On February 12, 2014, an inspector from the U.S. Nuclear Regulatory Commission (NRC) conducted a routine inspection at your radiochemistry facility on 16th Street in Indianapolis, with continued in-office review through March 19, 2014. The purpose of the inspection was to review activities performed under your NRC license to ensure that activities were being performed in accordance with NRC requirements. The purpose of the in-office review was to obtain additional information regarding contamination surveys and material inventories. Mr. Craffey of my staff conducted an exit meeting with you by telephone on March 28, 2014, to discuss the inspection findings.

During this 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, observations of activities, and interviews with personnel.

Based on the results of this inspection, the NRC has determined that three Severity Level IV violations of NRC requirements occurred. The violations were evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's website at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The violations concerned: (1) the licensee's failure to conduct physical inventories, as required by Condition 14 of NRC Radioactive Material License Number 13-06028-02; (2) the licensee's failure to conduct periodic contamination surveys, as required by Condition 20 of the license; and (3) the licensee's possession of non-exempt quantities of radium-228 (Ra-228) without authorization on the license, as required by Title 10 of the *Code of Federal Regulations* (CFR) Part 30.3. The violations are cited in the enclosed Notice of Violation (Notice). The NRC is citing the violations in the Notice because they were identified by the inspector.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The guidance in NRC Information Notice 96-28, "Suggested Guidance Relating to Development and Implementation of Corrective Action," may be useful in preparing your response. You can find the Information Notice on the NRC's website at: <http://www.nrc.gov/reading-rm/doc-collections/gen-comm/info-notices/1996/in96028.html>. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

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 Ryan Craffey of my staff if you have any questions regarding this inspection. Mr. Craffey can be reached at 630-829-9655.

Sincerely,

/RA/

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

Docket No. 030-37731
License No. 13-06028-02

Enclosure:
Notice of Violation

cc w/encl: Philip Zillinger, Chemistry Certification Officer

L. Dresen

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/RA/

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

Docket No. 030-37731
License No. 13-06028-02

Enclosure:
Notice of Violation

cc w/encl: Philip Zillinger, Chemistry Certification Officer

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NOTICE OF VIOLATION

Indiana Department of Homeland Security
Indianapolis, IN

License No. 13-06028-02
Docket No. 030-37731

During a U.S. Nuclear Regulatory Commission (NRC) inspection conducted on February 12, 2014, with continued in-office review through March 19, 2014, three violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. Condition 14 of NRC License 13-06028-02 requires, in part, that the licensee conduct a physical inventory every six months to account for all sources and/or devices received and possessed under the license.

Contrary to the above, between January 2010 and February 2014, Indiana Department of Homeland Security failed to conduct a physical inventory every six months to account for all sources and/or devices received and possessed under the license. Specifically, the Department has not conducted a physical inventory of licensed material possessed in the radiochemistry lab since last performing one in July 2009.

This is a Severity Level IV violation (section 6.3.D.3).

- B. Condition 20 of NRC License 13-06028-02 requires, in part, that the licensee conduct its program in accordance with the statements, representations, and procedures contained in the licensee's facsimile dated May 28, 2008.

In Section 10 of the licensee's facsimile dated May 28, 2008, the licensee states that "we will survey our facility and maintain contamination level[s] in accordance with the survey frequencies and contamination levels published in Appendix Q to NUREG-1556, Vol. 7, 'Program-Specific Guidance About Academic Research and Development, and Other Licenses of Limited Scope,' dated December 1999.

In Table Q.1 of Appendix Q to NUREG-1556, Vol. 7, the suggested contamination survey frequency for a lab using less than 0.1 ALI of licensed material is monthly.

Contrary to the above, between December 8, 2013 and February 12, 2014, the licensee failed to survey the radiochemistry facility on 16th Street in Indianapolis, Indiana in accordance with the survey frequencies published in Appendix Q to NUREG-1556, Vol. 7. Specifically, the Department had processed twelve samples between November 26, 2013 and February 11, 2014 using less than 0.1 ALI of Cs-137 and Th-230, but had not conducted a monthly contamination survey, as specified by Table Q.1 of the Appendix, since November 8, 2013.

This is a Severity Level IV violation (Section 6.3.D.3).

Enclosure

- C. Title 10 of the *Code of Federal Regulations* (10 CFR) Part 30.3(a) 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.

Contrary to the above, since July 10, 2008, the licensee possessed two discrete sources of radium-228 (Ra-228) in quantities not exempt from licensing requirements without a specific authorization for the radionuclide on NRC License 13-06028-02. Specifically, the licensee possessed two liquid standards containing approximately 3.5 microcuries (μCi) and 0.4 μCi of Ra-228, respectively. Each of these sources is in excess of the applicable quantity of 0.1 μCi in 10 CFR 30.71, Schedule B, which indicates the quantities of byproduct material exempt from licensing requirements.

This is a Severity Level IV violation (section 6.3.D.9)

Pursuant to the provisions of CFR 2.201, Indiana Department of Homeland Security is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001, with a copy to the Regional Administrator, Region III, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include: (1) the reason for the violations, or, if contested, the basis for disputing the violations or their severity level; (2) the corrective steps that have been taken and the results achieved; (3) the corrective steps that will be taken; and (4) the date when full compliance was or will be achieved. Your response may reference or include previously docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

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>. Therefore, to the extent possible, the response should not include any personal privacy, proprietary, or safeguards information so that it can be made publicly available without redaction.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days of receipt.

Dated this 1 day of April 2014.