

SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION

1. LICENSEE/LOCATION INSPECTED:

CTL Engineering, Inc.
1310 South Franklin Road
Indianapolis, IN 46239

REPORT NUMBER(S) 16-001

2. NRC/REGIONAL OFFICE

Region III
U. S. Nuclear Regulatory Commission
2443 Warrenville Rd, Suite 210
Lisle, IL 60532

3. DOCKET NUMBER(S)

030-35093

4. LICENSE NUMBER(S)

13-18533-02

5. DATE(S) OF INSPECTION

May 13, 2016 with final exit on
May 20, 2016

LICENSEE:

The inspection was an examination of the activities conducted under your license as they relate to radiation safety and to compliance with the Nuclear Regulatory Commission (NRC) rules and regulations and the conditions of your license. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector. The inspection findings are as follows:

- ☐ 1. Based on the inspection findings, no violations were identified.
- ☐ 2. Previous violation(s) closed.
- ☐ 3. The violation(s), specifically described to you by the inspector as non-cited violations, are not being cited because they were self-identified, non-repetitive, and corrective action was or is being taken, and the remaining criteria in the NRC Enforcement Policy, to exercise discretion, were satisfied.

Non-cited violation(s) were discussed involving the following requirement(s):

- ☒ 4. During this inspection, certain of your activities, as described below and/or attached, were in violation of NRC requirements and are being cited in accordance with NRC Enforcement Policy. This form is a NOTICE OF VIOLATION, which may be subject to posting in accordance with 10 CFR 19.11.
(Violations and Corrective Actions)

Title 10 of the Code of Federal Regulations (CFR) Section 30.34(c) requires, in part, that each person licensed by the Commission pursuant to the regulations in this part and parts 31 through 36 and 39 shall confine his possession and use of byproduct material to the locations and purposes authorized in the license.

Condition 10 of NRC License 34-18533-02, Amendment No. 15, dated March 25, 2015, states that licensed material may be used or stored only at the licensee's facilities located at 4343 Saguaro Trail, Indianapolis, Indiana, and used at temporary job sites of the licensee anywhere in the United States where the U.S. Nuclear Regulatory Commission maintains jurisdiction for regulating the use of licensed material.

Continued on next page.

Statement of Corrective Actions

I hereby state that, within 30 days, the actions described by me to the Inspector will be taken to correct the violations identified. This statement of corrective actions is made in accordance with the requirements of 10 CFR 2.201 (corrective steps already taken, corrective steps which will be taken, date when full compliance will be achieved). I understand that no further written response to NRC will be required, unless specifically requested.

TITLE	PRINTED NAME	SIGNATURE	DATE
LICENSEE'S REPRESENTATIVE	ALI KARAKI	<i>Ali Karaki</i>	6/2/16
NRC INSPECTOR	Zahid Sulaiman, Health Physicist	<i>Zahid Sulaiman</i>	5/26/16
BRANCH CHIEF	Aaron T. McCraw, Chief, MIB	<i>Aaron T. McCraw</i>	5/26/16

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(Continued)

Contrary to the above, from November 20, 2015 until January 15, 2016 the licensee failed to store its portable gauges, each containing a nominal 10 millicuries of cesium-137 and 50 millicuries of americium-241 nominally, at a facility authorized by the license. Specifically, the licensee relocated its portable gauges from the authorized facility at 4343 Saguaro Trail, Indianapolis, Indiana, to a new facility 1310 South Franklin Road, Indianapolis, Indiana – a facility not authorized on the license – prior to receiving NRC approval.

The inspector determined that the root cause of the violation was the licensee lack of understanding of the terms and conditions of the NRC license. As corrective actions and to prevent recurrence; (1) the new facility was approved and the license was amended on January 16, 2016 that authorizes the actual location of use and storage; (2) licensee will provide 60-90 day advance notice to NRC of any planned closing or moving of facility; and (3) licensee will not move the gauges until the licensee receives the approved license amendment authorizing the new location for use and storage of licensed materials.

This is a Severity Level IV violation, in accordance with NRC Enforcement Policy, Section 6.3.

Docket File Information

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6. INSPECTION PROCEDURES USED

87124

7. INSPECTION FOCUS AREAS

03.01-03.07

SUPPLEMENTAL INSPECTION INFORMATION

1. PROGRAM CODE(S)

03121

2. PRIORITY

5

3. LICENSEE CONTACT

James P. Gowarty, Jr., RSO

4. TELEPHONE NUMBER

(304) 292-1135



Main Office Inspection

Next Inspection Date: _____



Field Office Inspection _____



Temporary Job Site Inspection _____

PROGRAM SCOPE

This was a special inspection in response to an unauthorized use of location identified by the NRC license reviewer on January 12, 2016. The licensee submitted the license amendment request on October 16, 2015, to change the address from 4343 Saguaro Trail, Indianapolis to the new address (1310 South Franklin Road, Indianapolis, Indiana). The licensee conducted leak tests and a closeout survey of the old facility and submitted the report to the NRC including the floor plan of the new gauge storage location on December 28, 2015. However, the licensee did not receive NRC approval for the use and storage at the new facility until January 16, 2016.

The inspection consisted of interviews with select licensee staff, review of select records and tour of the facility. The inspector found that the licensee sold the 4343 Saguaro Trail, Indianapolis, Indiana, property in November 2015 and moved the four Troxler model MC series portable gauges on November 20, 2015, to the new facility located at 1310 South Franklin Road, Indianapolis. The inspector verified the gauges were secured properly and that two independent physical barrier were maintained at the new facility. The inspector identified one Severity Level IV violation of the License Condition 10 of NRC License 34-18533-02, Amendment No. 15, dated March 25, 2015. Specifically, from November 20, 2015, until January 15, 2016, the licensee stored four Troxler model MC series portable gauges at the new facility, located at 1310 South Franklin Road, Indianapolis, Indiana – a facility not authorized on the license – prior to receiving NRC approval on January 16, 2016.