



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION IV  
1600 E. LAMAR BLVD.  
ARLINGTON, TX 76011-4511

February 14, 2017

EA-16-280

Mr. Dinesh P. Sheth  
Radiation Safety Officer  
Indo American Engineering, Inc.  
P.O. Box 1813  
Rock Springs, WY 82902-1813

SUBJECT: NRC INSPECTION REPORT 030-35704/2016-001 and NOTICE OF VIOLATION

Dear Mr. Sheth:

This refers to the routine, unannounced, inspection conducted on September 14, 2016, at your facility in Rock Springs, Wyoming. This inspection was an examination of activities conducted under your license as they relate to radiation safety and compliance with the U.S. Nuclear Regulatory Commission's (NRC) rules and regulations and with the conditions of your license. Within these areas, the inspection consisted of selected examination of procedures, representative records, and observation of activities. The preliminary inspection results were discussed with you at the conclusion of the onsite inspection. A final exit was conducted telephonically with you on February 7, 2017.

Based on the results of this inspection, the NRC has determined that two Severity Level IV violations of NRC requirements occurred. These violations related to the following: (1) failure to secure the portable gauge with two physical controls that create tangible barriers to prevent unauthorized access to the gauges as required by Title 10 of the *Code of Federal Regulations* (10 CFR) 30.34 (i), and; (2) failure to have a lock on the gauge or the gauge case to ensure the source cannot be extended accidentally as required by the conditions of your license. These violations were evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is available on the NRC's Web site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The violations are cited in the enclosed Notice of Violation (Notice) and the circumstances surrounding them are discussed in detail. The violations are being cited in the Notice because they were identified by the NRC during the inspection.

The failure to provide two physical controls that form tangible barriers to prevent unauthorized access or theft of portable gauges when not under direct and constant surveillance is normally categorized as a Severity Level III violation. The NRC considered your ability to provide surveillance of the only unlocked access point into the building, and determined that a Severity Level IV violation was appropriate under this circumstance. However, the requirement is that *two* physical controls must be present or the *portable gauges* must be under direct and constant surveillance. The regulation does not recognize your surveillance of access points as a physical control nor is it providing direct control and constant surveillance of the nuclear gauges.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The NRC will use your response 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 "Agency Rules of Practice and Procedures", a copy of this letter, its enclosure and your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS) accessible from the NRC's Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response to the NRC should not include any personal, privacy, proprietary or safeguards information so that it can be made available to the public without redaction.

Should you have any questions concerning this inspection or the enclosed Notice, please contact Ms. Martha Poston-Brown at (817) 200-1181 or the undersigned at (817) 200-1191.

Sincerely,

**/RA/**

Mark R. Shaffer, Director  
Division of Nuclear Materials and Safety

Docket: 030-35704  
License: 49-27701-01

Enclosure:  
Notice of Violation

cc w/Enclosures:  
Scott Ramsey, Radiological Services Manager  
5500 Bishop Blvd.  
Cheyenne, WY 82009

NRC INSPECTION REPORT 030-35704/2016-001 and NOTICE OF VIOLATION DATED  
FEBRUARY 14, 2017.

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## NOTICE OF VIOLATION

Indo American Engineering, Inc.  
Rock Springs, Wyoming

Docket No: 030-35704  
License No: 49-27701-01  
EA-16-280

During an NRC Inspection conducted on September 14, 2016, two violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. 10 CFR 30.34(i) requires, in part, that each portable gauge licensee shall use a minimum of two independent physical controls that form tangible barriers to secure portable gauges from unauthorized removal whenever portable gauges are not under control and constant surveillance of the licensee.

Contrary to the above, on September 14, 2016, the licensee failed to provide a minimum of two independent physical controls that form tangible barriers to secure portable gauges from unauthorized removal when the portable gauges were not under control and constant surveillance of the license. Specifically, the inspector found two Troxler gauges in an unlocked storage cabinet and a third Troxler gauge outside the cabinet in the basement of the licensee's facility. The gauges were not under direct and constant surveillance by the licensee as both licensee employees were upstairs when the inspector arrived. However, both employees were monitoring the one unlocked access point to the building to serve as a primary physical control.

This is a Severity Level IV violation (NRC Enforcement Policy Section 6.3).

- B. License Condition 17 of Material License 49-27701-01, Amendment 02 issued September 6, 2011, requires, in part, that each portable gauge shall have a lock or outer locked container designed to prevent unauthorized or accidental removal of the sealed source from its shielded position. The gauge must be locked when in transport, storage or when not under the direct surveillance of an authorized user.

Contrary to the above, on September 14, 2016, the licensee failed to lock the gauge or the container to prevent unauthorized or accidental removal of the sealed source from its shielded position and was not under the direct surveillance of an authorized user. Specifically, the inspector found two of the three gauges in the possession of the licensee that did not have a lock on the gauge or the gauge container to prevent unauthorized or accidental removal of the sealed source from its shielded position.

This is a Severity Level IV violation (NRC Enforcement Policy Section 6.3).

Pursuant to the provisions of 10 CFR 2.201, Indo American Engineering, Inc., is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555, with a copy to the Regional Administrator, Region IV 1600 E. Lamar Blvd, Arlington, TX, 76011, 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 Notice of Violation; EA-16-280" and should include for each violation: (1) the reason for the violation, or if contested the basis for disputing the violation or severity level; (2) the corrective steps that have been taken and the results achieved; (3) the corrective steps that will be taken to avoid further violations; and (4) the date that full compliance will be achieved. Your response may reference previously docketed correspondence, if the correspondence adequately

Enclosure

addresses the required response. If an adequate reply is not received with the time specified in this Notice, an order or 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 appropriate should not be taken. Where good cause is shown, consideration will be given to extending the response time.

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, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Your response will be made available electronically for public inspection in the NRC Public Document Room or in the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site 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 available to the public without redaction. If personal, privacy or proprietary information is necessary to provide an adequate response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the basis for your claim of withholding (e.g. explain why the disclosure of information will create an unwarranted invasion of personal, privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information. If safeguards information is necessary to provide an adequate response, please provide the level of protection described in 10 CFR 73.21.

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

Dated this 14th of February 2017.