

**MATERIALS LICENSE**

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 36, 37, 39, 40, 70 and 71, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

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| <p><b>Licensee</b></p> <p>1. Orchard, Hiltz, &amp; McCliment, Inc.</p> <p>2. 929 Bridgeview South<br/>Saginaw, MI 48604</p>                            | <p>In accordance with letter dated November 27, 2018.</p> <p>3. License number: 21-32793-01 is amended in its entirety to read as follows:</p>   | <p>4. Expiration Date: June 30, 2020</p> <p>5. Docket No.: 030-38284<br/>Reference No.:</p>   |
| <p>6. Byproduct, source, and/or special nuclear material</p> <p>A. Cesium-137</p> <p>B. Americium-241</p> <p>C. Cesium-137</p> <p>D. Americium-241</p> | <p>7. Chemical and/or physical form</p> <p>A. Sealed Sources (AEA Technology/QSA, Inc., Model CDCW556; Isotope Product Laboratories, Model HEG-137)</p> <p>B. Sealed Sources (AEA Technology/QSA, Inc., Model AMNV.997; Isotope Product Laboratories, Model AM1.NO2 3021, 3027)</p> <p>C. Sealed Sources (AEA Technology/QSA, Inc., Model CDC.805; Isotope Product Laboratories, Model HEG-137)</p> <p>D. Sealed Sources (AEA Technology/QSA, Inc., Model AMN.V997; Isotope Product Laboratories, Model AM1.NO2)</p> | <p>8. Maximum amount that licensee may possess at any one time under this license</p> <p>A. 9 millicuries per source and 81 millicuries total</p> <p>B. 44 millicuries per source and 396 millicuries total</p> <p>C. 11 millicuries per source and 99 millicuries total</p> <p>D. 44 millicuries per source and 396 millicuries total</p> <p>9. Authorized use</p> <p>A. For use in Troxler Electronic Laboratories Models 3430 and 3440 portable gauging devices for measuring physical properties of materials.</p> <p>B. For use in Troxler Electronic Laboratories Models 3430 and 3440 portable gauging devices for measuring physical properties of materials.</p> <p>C. For use in InstroTek, Inc. Model 3500 portable gauging devices for measuring physical properties of materials.</p> <p>D. For use in InstroTek, Inc. Model 3500 portable gauging devices for measuring physical properties of materials.</p> |

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030-38284

Amendment No. 12

**CONDITIONS**

10. Licensed material may be used or stored at the licensee's facilities located at:

- A. 424 Hancock Street, Hancock, Michigan, 49930
- B. 929 Bridgeview South, Saginaw, Michigan, 48604
- C. G3101 W. Bristol Road, Flint, Michigan, 48507
- D. 1005 Corporate Drive, Mt. Pleasant, Michigan, 48858
- E. 2940 Parkview Drive, Petoskey, Michigan, 49770
- F. 300 E. Mitchell Street, Petoskey, Michigan, 49770

Licensed material may be used at temporary job sites anywhere in the United States where the U.S. Nuclear Regulatory Commission maintains jurisdiction for regulating the use of licensed material, including areas of exclusive Federal jurisdiction within Agreement States. If the jurisdiction status of a Federal facility within an Agreement State is unknown, the licensee should contact the Federal agency controlling the job site in question to determine whether the proposed job site is an area of exclusive Federal jurisdiction. Authorization for use of radioactive materials at job sites in Agreement States not under exclusive Federal jurisdiction shall be obtained from the appropriate state regulatory agency.

11. The Radiation Safety Officer (RSO) for this license is Jack Niemi.
12. Licensed material shall only be used by, or under the supervision and in the physical presence of, individuals who have received the training described in the application dated March 23, 2010. The licensee shall maintain records of individuals designated as users for 3 years following the last use of licensed material by the individual.

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13. A. Sealed sources and detector cells shall be tested for leakage and/or contamination at intervals not to exceed the intervals specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or by an Agreement State. In the absence of a registration certificate, sealed sources shall be tested for leakage and/or contamination at intervals not to exceed 6 months, or at such other intervals as specified.
- B. In the absence of a certificate from a transferor indicating that a leak test has been made within the intervals specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or by an Agreement State, prior to the transfer, a sealed source received from another person shall not be put into use until tested and the test results received.
- C. Sealed sources need not be tested if they are in storage and are not being used. However, when they are removed from storage for use or transferred to another person, and have not been tested within the required leak test interval, they shall be tested before use or transfer. No sealed source shall be stored for a period of more than 10 years without being tested for leakage and/or contamination.
- D. The leak test shall be capable of detecting the presence of 185 becquerels (0.005 microcuries) of radioactive material on the test sample. If the test reveals the presence of 185 becquerels (0.005 microcuries) or more of removable contamination, a report shall be filed with the U.S. Nuclear Regulatory Commission in accordance with 10 CFR 30.50(c)(2), and the source shall be removed immediately from service and decontaminated, repaired, or disposed of in accordance with Commission regulations.
- E. Analysis of leak test samples and/or contamination shall be performed by persons specifically licensed by the U.S. Nuclear Regulatory Commission or an Agreement State to perform such services. The licensee is authorized to collect leak test samples but not perform the analysis.
- F. Records of leak test results shall be kept in units of becquerels (microcuries) and shall be maintained for 3 years.
14. Sealed sources or source rods containing licensed material shall not be opened or sources removed or detached from source rod or gauges by the licensee, except as specifically authorized.

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15. The licensee shall conduct a physical inventory every 6 months, or at other intervals approved by the U.S. Nuclear Regulatory Commission, to account for all sealed sources and/or devices received and possessed under the license. Records of inventories shall be maintained for 3 years from the date of each inventory, and shall include the radionuclides, quantities, manufacturer's name and model numbers, and the date of the inventory.
16. Each portable nuclear 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 or its container must be locked when in transport or storage, or when not under the direct surveillance of an authorized user.
17. Any cleaning, maintenance, or repair of the gauges that requires detaching the source or source rod from the gauge shall be performed only by the manufacturer or other persons specifically licensed by the Commission or an Agreement State to perform such services.
18. Except for maintaining labeling as required by 10 CFR Part 20, or Part 71, the licensee shall obtain authorization from the U.S. Nuclear Regulatory Commission before making any changes in the sealed source, device, or source-device combination that would alter the description or specifications as indicated in the respective certificate of registration issued either by the U.S. Nuclear Regulatory Commission pursuant to 10 CFR 32.210 or by an Agreement State.
19. The licensee shall either possess and use, or have access to and use, a radiation survey meter that meets the Criteria in the section entitled "Radiation Safety Program - Instruments" in NUREG - 1556, Vol. 1, Rev. 1, dated November 2001.
20. Except as specifically provided otherwise in this license, the licensee shall conduct its program in accordance with the statements, representations, and procedures contained in the documents, including any enclosures, listed below. This license condition applies only to those procedures that are required to be submitted in accordance with the regulations. The U.S. Nuclear Regulatory Commission's regulations shall govern unless the statements, representations, and procedures in the licensee's application and correspondence are more restrictive than the regulations.
- A. Application dated March 23, 2010 with attachments (ML100910239)
  - B. Facsimile letter dated June 24, 2010 (ML101760120)
  - C. Facsimile letter dated June 28, 2010 (ML101790393)

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- D. Facsimile letter dated August 31, 2010 (ML102430475)  
E. Facsimile letter dated November 17, 2010 (ML1 03270023)  
F. Facsimile letter dated November 24, 2010 (ML103500117)  
G. Letter dated May 8, 2012 (ML12131A675)  
H. Letter dated July 12, 2013 (ML13193A201)  
I. Letter dated December 30, 2014 (ML15005A377)  
J. Letter dated February 10, 2015 (ML16049A493)  
K. Letter dated February 18, 2016 (ML16049A597)  
L. Letter dated June 17, 2016 (ML16172A214)  
M. Letter dated January 4, 2018 (ML18009A984)  
N. Letter dated January 29, 2018 (ML18036A248)  
O. Letter dated November 27, 2018 (ML18340A056)  
P. Letter dated January 7, 2019 (ML19009A164)



FOR THE U.S. NUCLEAR REGULATORY COMMISSION

Date: FEB 01 2019By: Frank P.D. Tran  
Region 3