



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**  
REGION I  
2100 RENAISSANCE BLVD.  
KING OF PRUSSIA, PA 19406-2713

December 16, 2019

Randall Bagwell, President  
3900 Kennesaw 75 Parkway, Suite 100  
Kennesaw, GA 30144

**SUBJECT: NOVA ENGINEERING AND ENVIRONMENTAL, LLC - NRC INSPECTION NO.  
030-37885/2019-002 AND NOTICE OF VIOLATION**

Dear Mr. Bagwell:

This letter refers to an inspection limited to the in-office review of the change of control described in your letters dated August 6, August 22, and September 18, 2019. This inspection examined the August 6 request for the change of control due to the purchase of NOVA Engineering and Environmental, LLC (NOVA) by Watkins Associated Holdings, LLC (Watkins) and the August 22 request that the change of control request be disregarded because the change was only in equity ownership that occurred on August 12, 2019. The activities were reviewed by NRC technical and legal staff to confirm compliance with the Commission's rules and regulations and with the conditions of your license. The findings of the inspection were discussed with Barry Roziewski on December 16, 2019.

Based on the results of this inspection, the NRC has determined that a Severity Level IV violation of NRC requirements occurred. The violation was evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's Web site at <https://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The violation is cited in the enclosed Notice of Violation (Notice) because the violation was identified by the NRC.

The NRC has concluded that information regarding: (1) the reason for the violation(s); (2) the corrective actions that have been taken and the results achieved; and (3) the date when full compliance will be (was) achieved is already adequately addressed on the docket and include information provided in the letter dated September 18, 2019 and the pre-licensing visit conducted on December 3, 2019, with Watkins Associated Industries, Inc. Therefore, you are not required to respond to this letter unless the description herein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC document 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 you have any questions regarding this matter, please contact Betsy Ullrich of my staff at (610) 337-5040 or via electronic mail to [Elizabeth.Ullrich@nrc.gov](mailto:Elizabeth.Ullrich@nrc.gov).

Thank you for your cooperation.

Sincerely,

***/RA/***

Christopher G. Cahill, Chief  
Commercial, Industrial, R&D  
and Academic Branch  
Division of Nuclear Materials Safety  
Region I

Docket No. 030-37885  
License No. 10-31353-01

Enclosure:  
Notice of Violation

cc w/ enclosure  
Barry J. Roziewski, Radiation Safety Officer  
State of Georgia

## NOVA ENGINEERING AND ENVIRONMENTAL - NRC INSPECTION NO. 030-37885/2019-002 AND NOTICE OF VIOLATION DECEMBER 16, 2019

ML20013G068

DOCUMENT NAME: G:\WBL Documents\WBL Inspection Letter\L10-31353-01.2019-002NOV.docx

<input type="checkbox"/> SUNSI Review		<input checked="" type="checkbox"/> Non-Sensitive <input type="checkbox"/> Sensitive		<input checked="" type="checkbox"/> Publicly Available <input type="checkbox"/> Non-Publicly Available	
OFFICE	RI/DNMS				
NAME	Betsy Ullrich/EXU	C Cahill/CGC			
DATE	12/16/19	12/16/19			

OFFICIAL RECORD COPY

## **NOTICE OF VIOLATION**

NOVA Engineering and Environmental, LLC  
Kennesaw, GA

Docket No. 030-37885  
License No. 10-31353-01

During an NRC inspection conducted August 22 through December 12, 2019, one violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

10 CFR 30.34.(b)(1) requires that no license issued or granted pursuant to the regulations in this part and parts 31 through 36, and 39 nor any right under a license shall be transferred, assigned or in any manner disposed of, either voluntarily or involuntarily, directly or indirectly, through transfer of control of any license to any person, unless the Commission shall, after securing full information, find that the transfer is in accordance with the provisions of the Act and shall give its consent in writing.

Contrary to the above, on August 12, 2019, License No. 10-31353-10 was indirectly transferred from NOVA Engineering and Environmental, LLC to Watkins Associated Holdings, LLC. Specifically, although the licensee requested prior approval for the change of control in a letter dated August 6, 2019, the transfer was not approved by the NRC when it occurred on August 12. The licensee retracted the request in a letter dated August 22, 2019, stating the licensee believed that a change in equity ownership only did not constitute a change of control. The NRC staff found that the transfer is an indirect change of control, and did not complete the review for approval until December 12, 2019, after the change of control occurred.

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

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence and the date when full compliance will be achieved is already adequately addressed on the docket. However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation," and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555 with a copy to the Regional Administrator, Region I, within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

If you contest this enforcement action, you should also provide a copy of your response to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, any response which contests an enforcement action shall be submitted under oath or affirmation.

Your response will be placed in the NRC Public Document Room (PDR) and on the NRC Web site. To the extent possible, it should, therefore, not include any personal privacy, proprietary, or safeguards information so that it can be made publically available without redaction. However, if you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be placed in the PDR, and provide the legal basis to support your request for withholding the information from the public.

Notice of Violation  
NOVA Engineering and Environmental, LLC

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

Dated This 16<sup>th</sup> day of December 2019