

February 10, 2006

Mr. Steven Schleede  
President  
Schleede Hampton Associates  
P. O. Box 440  
St. Charles, IL 60174

SUBJECT: NRC INSPECTION (IR 030-33877/06-001(DNMS)) AND NOTICE OF VIOLATION

Dear Mr. Schleede:

This refers to the inspection conducted on January 24, 2006, at your facility located at 2254 Cole Street in Birmingham, Michigan. The purpose of the inspection was to determine whether activities authorized under your license were conducted safely and in accordance with NRC requirements.

This inspection was an examination of activities conducted under your license as they relate to safety and compliance with the Commission's rules and regulations and with 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 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 [www.nrc.gov](http://www.nrc.gov); select **What We Do, Enforcement**, then **Enforcement Policy**. The violation is cited in the enclosed Notice of Violation and involves the failure to secure portable gauges using a minimum of two independent physical controls that form tangible barriers to secure portable gauges from unauthorized removal when the gauges were not under the control and constant surveillance of licensee personnel.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. For your consideration and convenience, an excerpt from NRC Information Notice 96-28, "SUGGESTED GUIDANCE RELATING TO DEVELOPMENT AND IMPLEMENTATION OF CORRECTIVE ACTION," is enclosed. 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, and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Because your response involves detailed security-related information, it will not be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. Please mark the top of each page "Security Related Information - withhold under 10 CFR 2.390."

Sincerely,

*/RA/*

John R. Madera, Chief  
Materials Inspection Branch

Docket No. 030-33877  
License No. 21-26657-01

Enclosure: Notice of Violation

cc w/encl: William West, Acting RSO  
Schleede Hampton Associates  
2254 Cole Street  
Birmingham, MI 48009

DOCUMENT NAME: E:\Filenet\ML060410312.wpd

X Publicly Available     Non-Publicly Available     Sensitive    X Non-Sensitive

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## NOTICE OF VIOLATION

Schleede Hampton Associates  
Birmingham, MI

Docket No. 030-33877  
License No. 21-26657-01

During an NRC inspection conducted on January 24, 2006, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

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 the control and constant surveillance of the licensee.

Contrary to the above, as of July 11, 2005, the licensee failed to use a minimum of two independent physical controls that form tangible barriers to secure portable gauges from unauthorized removal when the gauges were not under the control and constant surveillance of the licensee. Specifically, the licensee transported portable gauges with only one independent physical control securing the portable gauge in its case in the vehicle. In addition, the licensee stored portable gauges in a storage cabinet using only one independent physical control, and the licensee's storage cabinet was located in an unsecured room in a facility shared by other tenants.

This is a Severity Level IV violation (Supplement VI).

Pursuant to the provisions of 10 CFR 2.201, Schleede Hampton Associates 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 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 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 when full compliance will be achieved. Your response may reference or include previous 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.

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.

Because your response involves detailed security-related information, it will not be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. Please mark the top of each page "Security Related Information - withhold under 10 CFR 2.390."

Notice of Violation

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

Dated this 10th day of February 2006.