

INSPECTION RECORD

Region III Inspection Report No. 2008-001 License No. 13-24638-01  
Docket No. 030-18733

Licensee (Name and Address):

**American Renolit Corporation**  
**1207 East Lincolnway**  
**LaPorte, Indiana 46350**

Location (Authorized Site) Being Inspected  
**As Above**

Licensee Contact: **Tim Jones, Interim RSO** Telephone No. **219-324-6886 (250)**

Priority: 5 Program Code: 3120

Date of Last Inspection: 8/25/03 Date of This Inspection: 11/03-11/14/08

Type of Inspection: ( ) Initial ( ) Announced (X) Unannounced  
( ) Routine ( ) Special

Next Inspection Date: **November 2013** (X) Normal ( ) Reduced  
Justification for reducing the routine inspection interval:

Summary of Findings and Actions:

- ( ) No violations cited, clear U.S. Nuclear Regulatory Commission (NRC) Form 591 or regional letter issued
- ( ) Non-cited violations (NCVs)
- ( ) Violation(s), Form 591 issued
- (X) Violation(s), regional letter issued
- ( ) Followup on previous violations

Inspector(s) *Samuel J. Mulay* Date 12/05/08  
**Samuel J. Mulay**

Approved *John R. Madera* Date 12/8/08  
**John R. Madera, Chief, MIB**

## **PART I-LICENSE, INSPECTION, INCIDENT/EVENT, AND ENFORCEMENT HISTORY**

1. AMENDMENTS AND PROGRAM CHANGES:

(License amendments issued since last inspection, or program changes noted in the license)

<u>AMENDMENT #</u>	<u>DATE</u>	<u>SUBJECT</u>
# 9	3/21/08	New RSO

2. INSPECTION AND ENFORCEMENT HISTORY:

(Unresolved issues; previous and repeat violations; Confirmatory Action Letters; and orders)

**No violations were identified during the last inspection**

3. INCIDENT/EVENT HISTORY:

(List any incidents, or events reported to NRC since the last inspection. Citing "None" indicates that regional event logs, event files, and the licensing file have no evidence of any incidents or events since the last inspection.)

**None**

## **PART II - INSPECTION DOCUMENTATION**

1. ORGANIZATION AND SCOPE OF PROGRAM:

(Management organizational structure; authorized locations of use, including field offices and temporary job sites; type, quantity, and frequency of material use; staff size; delegation of authority)

\* **Arndt Ehrlich, President**  
# \* + **Jeremy Bannwart, Plant Engineer**  
# \* + **Tim Jones, Maintenance Supervisor**

# Individual(s) present at entrance meeting

\* Individual(s) present at preliminary exit meeting conducted on 11/03/08

+ Individuals present during final exit meeting via telephone on 11/14/08

2. SCOPE OF INSPECTION:

(Identify the inspection procedure(s) used and focus areas evaluated. If records were reviewed, indicate the type of record and time periods reviewed)

Inspection Procedure(s) Used: **87124** Focus Areas Evaluated: **03.01- 03.07**

**At the time of inspection, the licensee possessed five Beta Control and one Ohmart fixed gauges used to determine thickness of plastic film used in commercial applications. Each device contained the type and amount of licensed material as authorized. Interviews conducted with the RSO,**

members of management, and process operators revealed an adequate knowledge of material handling, security and emergency procedures.

The inspector toured the overall facility which revealed adequate device labeling and area postings. Record review included: Inventory, transfer and receipt of devices, shutter checks, etc. with no problems noted. Security of devices was adequately maintained except as described in Section 4 of this report.

3. INDEPENDENT AND CONFIRMATORY MEASUREMENTS:

(Areas surveyed, both restricted and unrestricted, and measurements made; comparison of data with licensee's results and regulations; and instrument type and calibration date)

**Independent measurements taken of available devices indicated on average of about 7.0 mr/hr at surface and about 0.4 mr/hr at one meter. Restricted and unrestricted areas were approximately background (0.03mr/hr).**

4. VIOLATIONS, NCVs, AND OTHER SAFETY ISSUES:

(State the requirement, how and when the licensee violated the requirement, and the licensee's proposed corrective action plan. For NCVs, indicate why the violation was not cited. Attach copies of all licensee documents needed to support violations.)

- a. **10 CFR 20.1802 requires the licensee shall control and maintain constant surveillance of licensed material that is in a controlled or unrestricted area and that is not in storage.**

**Contrary to the above, from October 31 through November 3, 2008, the licensee did not control and maintain constant surveillance of licensed material that was in a controlled or unrestricted area and that is not in storage. Specifically, the licensee removed and placed a fixed gauging device assembly containing a nominal 300 millicuries of krypton-85 in an unrestricted area of the licensee's facility and did not maintain control and constant surveillance of the assembly.**

**The assembly was removed as a precaution pending dismantling and subsequent removal of machinery on which the device was attached to prevent the source from leaving the facility.**

**10 CFR Pt. 20, Appendix C, quantity for a Severity Level III violation would be 1,000 millicuries of krypton-85, since the nominal amount of material was 300 millicuries, this violation is characterized as a Severity Level IV.**

**Corrective Action: The device in question was removed to an area of secured storage during the inspection. The device assembly was subsequently removal and shipped by an authorized vender on 11/18/08.**

- b. **Condition 14 of License No. 13-24638-01 states, in part, that installation, relocation, removal from service, maintenance, and repair of devices containing sealed sources shall be performed only by persons specifically licensed by the Commission or an Agreement State to perform such services.**

**Contrary to the above, on October 31, 2008, a licensee representative removed from service a portion of a fixed gauging device containing a sealed source of licensed material and was not specifically licensed by the Commission or an Agreement State to perform such service.**

**During the preliminary exit meeting the licensee indicated that future device removals will be performed by an authorized vender.**

- c. **Condition 11 of License No. 13-24638-01 states that the Radiation Safety Officer for this license is William B. Johnson.**

**Contrary to the above, for the period September 18 through November 3, 2008, an individual other than William B. Johnson served as the licensee's Radiation Safety Officer.**

**In a letter received via fax by Region III on 11/14/08, the licensee requested a license amendment to reflect a change in RSO to name Mr. Tim Jones. This request is currently under review by the Materials Licensing Branch.**

5. **PERSONNEL CONTACTED:**  
**(Identify licensee personnel contacted during the inspection, including those individuals contacted by telephone.)**

**See Part 2, Section 1.**