



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
612 EAST LAMAR BLVD, SUITE 400
ARLINGTON, TEXAS 76011-4125

January 14, 2010

EA: 10-006

LKS Inspection Services, LLC
ATTN: Wallace K. Onuma, Radiation Safety Officer
91-1002 Kelau Street
Kapolei, Hawaii 96707

SUBJECT: NRC INSPECTION REPORT 030-36762/2009-001

Dear Mr. Onuma:

This refers to the inspection conducted on December 10, 2009, with in-office review to January 14, 2010, at your facility in Kapolei, Hawaii. The inspection was an examination of activities conducted under byproduct material License 53-27795-01 as it relates to safety, security, and compliance with the Commission's rules and regulations and the conditions of the license. Within these areas, the inspection consisted of selected examination of procedures and representative records and interviews with personnel. Preliminary inspection findings were discussed with your staff at the conclusion of the onsite portion of the inspection. A final exit briefing was conducted with you telephonically on January 14, 2010.

Based on the results of this inspection, a violation of National Source Tracking System (NSTS) reporting requirement 10 CFR 20.2207 was identified and the issue was discussed with you during the exit meeting. This violation involved the failure to submit source inventory information to the NSTS as required by 10 CFR 20.2207. Because this was your first inspection after the effective date of NSTS reporting requirements, and you committed to take prompt corrective actions such as: (1) updating the missed reporting, and (2) implementing a process for ensuring future reporting, the NRC is using discretion to disposition this violation as a noncited violation (NCV). However, any future violations of NSTS reporting requirements will be categorized as cited violations and evaluated as such.

Please review and sign the attached NRC Form 591M and return it to this office at the address listed in the letterhead within 15 days of receipt of this letter. Please keep a copy of the signed NRC Form 591M for your records.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," 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 document system (ADAMS), accessible from the 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.

SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION

1. LICENSEE/LOCATION INSPECTED: LKS Inspection Services, LLC 91-1002 Kelau Street Kapolei, Hawaii 96707 Location: 91-1002 Kelau St., Kapolei, Hawaii REPORT NO: 2009-001 EA-10-006		2. NRC/REGIONAL OFFICE U.S. Nuclear Regulatory Commission Region IV, 612 East Lamar Blvd, Suite 400 Arlington, Texas 76011-4125	
3. DOCKET NUMBER 030-36762	4. LICENSE NUMBER 53-27795-01	5. DATE OF INSPECTION December 10, 2009	

LICENSEE:
The inspection was an examination of the activities conducted under your license as they relate to radiation safety and to compliance with the Nuclear Regulatory Commission (NRC) rules and regulations and the conditions of your license. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector. The inspection findings are as follows:

- 1. Based on the inspection findings, no violations were identified.
- 2. Previous violation(s) closed.
- 3. The violation(s), specifically described to you by the inspector as non-cited violations, are not being cited because they were self-identified, non-repetitive, and corrective action was or is being taken, and the remaining criteria in the NRC Enforcement Policy to exercise discretion, were satisfied.
- 4. Non-Cited Violation(s) was/were discussed involving the following requirement(s) and Corrective Action(s):

The licensee failed to submit National Source Tracking System (NSTS) inventory information pursuant to 10 CFR 20.2207. The licensee submitted the required information to the Nuclear Regulatory Commission at the time of the inspection. To prevent recurrent non-compliance with this requirement, the licensee committed to modifying its procedures to incorporate the NSTS reporting requirements to be verified and documented during the annual Radiation Protection Program audit.
- 5. During this inspection certain of your activities, as described below and/or attached, were in violation of NRC requirements and are being cited. This form is a NOTICE OF VIOLATION, which may be subject to posting in accordance with 10 CFR 19.11.

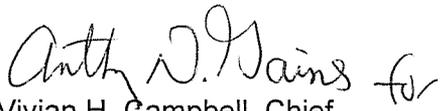
Licensee's Statement of Corrective Actions for Item 4, above.

I hereby state that, within 30 days, the actions described by me to the inspector will be taken to correct the violations identified. This statement of corrective actions is made in accordance with the requirements of 10 CFR 2.201 (corrective steps already taken, corrective steps which will be taken, date when full compliance will be achieved). I understand that no further written response to NRC will be required, unless specifically requested.

Title	Printed Name	Signature	Date
LICENSEE'S REPRESENTATIVE			
NRC INSPECTOR	R. Rick Muñoz		01/14/2009

Should you have any questions concerning this inspection, please contact Rick Muñoz at (817) 860-8220 or the undersigned at (817) 860-8287.

Sincerely,


Vivian H. Campbell, Chief
Nuclear Materials Safety Branch A

Docket: 030-36762
License: 53-27795-01

Enclosure:
NRC Form 591M

cc w/enclosure:
Hawaii Radiation Control Program Director

Electronic distribution w/enclosure:

E. Collins, RA
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Hard Copy:

RIV Materials Docket File (5th Floor)

R:_DNMS\!2009\LKS Inspection Services Cover Ltr for NOV w-NCV.doc ML

ADAMS: <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes		<input checked="" type="checkbox"/> SUNSI Review Complete	Reviewer Initials: RRM
		<input checked="" type="checkbox"/> Publicly Available	<input checked="" type="checkbox"/> Nonsensitive
		<input type="checkbox"/> Nonpublicly Available	<input type="checkbox"/> Sensitive
RIV:NMSB-A	C:NMSB-A		
RRMuñoz	VHCampbell		
<i>RRM</i>	<i>ADG for</i>		
1/14/10	1/14/09		