

**SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION**

1. LICENSEE/LOCATION INSPECTED: CMG Engineering, Inc. P.O. Box 5159 Kalispell, Montana 59903-5159 @1097 Trumble Creek Road, Kalispell, Montana REPORT NO: 2011-001		2. NRC/REGIONAL OFFICE  U.S. Nuclear Regulatory Commission Region IV, 612 East Lamar Blvd, Suite 400 Arlington, Texas 76011-4125
3. DOCKET NUMBER 030-36909	4. LICENSE NUMBER 25-27807-01	5. DATE OF INSPECTION April 19, 2011 & May 9, 2011

**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.
- Non-Cited Violation(s) was/were discussed involving the following requirement(s) and Corrective Action(s):

- 4. 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.

License Condition 15, states in part, that the licensee shall conduct a physical inventory every 6 months to account for all sealed sources and/or devices received and possessed under the license. Records of inventories shall include the radionuclides, quantities, manufacturer's name and model numbers, and the date of the inventory.

Contrary to the above, between March 6, 2006 and April 19, 2011, the licensee's inventory records did not include the date of the inventory.

Corrective Actions: On April 19, 2011, the licensee modified the inventory sheet to include the date when the inventory was performed.

**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	Stephen Ayers, Radiation Safety Officer	<i>Stephen R. Ayers</i>	5/9/11
NRC INSPECTOR	Lizette Roldán-Otero, Ph.D.	<i>Lizette Roldán-Otero</i>	05/09/11

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6. INSPECTION PROCEDURES USED 87124	7. INSPECTION FOCUS AREAS All	8. INSPECTOR L. Roldán-Otero, Ph.D.	

CONTINUED FROM PART 1

DOT requirements 49 CFR 177.842(d), states that packages must be so blocked and braced that they cannot change position during conditions normally incident to transportation.

Contrary to the above on April 19, 2011, the portable gauge was not blocked and braced so that it could not change positions during conditions normally incident to transportation. Specifically, the gauge was secured with a chain; however it could slide in the bed of the truck during normal driving conditions.

Corrective Action: The licensee installed eye bolts to the bed of the truck and is using a robust ratchet tie down to secure the gauge.

10 CFR 20.1101(c), states in part, the licensee shall periodically (at least annually) review the radiation protection program content and implementation.

Contrary to the above, between March 28, 2006 and April 19, 2011, the licensee did not periodically (at least annually) review the radiation protection program content and implementation.

Corrective action: The licensee performed an annual audit on April 25, 2011 and committed to performing the annual audits.