

August 4, 2011

Mr. John A. Newland
Chief Executive Officer
JANX Integrity Group
P.O. Box 190
8550 E. Michigan
Parma, MI 49269

SUBJECT: ACKNOWLEDGMENT OF ACTIONS DESCRIBED IN LETTERS DATED
JULY 29, 2011 AND AUGUST 1, 2011

Dear Mr. Newland:

This letter acknowledges actions your company has taken or plans to take in response to issues identified during an inspection. On July 27, 2011, a U.S. Nuclear Regulatory Commission (NRC) inspector identified several issues while performing an inspection at a temporary job site on Spy Island, Alaska. We are concerned that the performance of your radiography personnel at this site adversely impacted safety, security, and regulatory compliance. Of specific note, the lack of cooperation demonstrated by your radiographers is unacceptable for an NRC licensee and impeded our ability to fully complete the intended inspection. You are reminded that Title 10 of the Code of Federal Regulations (CFR) Part 19.14(a) requires, in part, that each licensee shall afford to the Commission, at all reasonable times, opportunity to inspect byproduct material, the premises, and facilities wherein byproduct material is used or stored.

In addition, the inspector observed several safety and security issues, that are currently under review, which included: (1) radiographic operations appeared to be conducted by only one qualified radiographer rather than two qualified radiography personnel (the "two man rule") as required by 10 CFR 34.41(a); (2) a radiographer did not appear to wear an operating alarm ratemeter on the trunk of the body while conducting radiographic operations as required by 10 CFR 34.47(a); (3) the radiographer may not have posted a high radiation area as required by 10 CFR 34.53 referring to 10 CFR 20.1902(a); (4) the radiography crew did not appear to secure the radiography camera appropriately; and (5) the radiography personnel did not appear to have specific records required by 10 CFR 34.89(b).

To assure radiation safety at temporary job sites, the NRC places a great deal of importance on having a second, trained individual who can provide immediate assistance should a radiographer become incapacitated during radiography operations. It is also important that all radiography personnel be equipped with radiation monitoring equipment, including an alarm rate meter to give warning of abnormal conditions. Further, it is especially important to fully control and secure a radiographic exposure device because of the potential for members of the public to receive unintended radiation exposures.

During conference calls on July 29, 2011, and August 1, 2011, between Ms. Anne Boland, Director, Division of Nuclear Materials Safety, Mr. Patrick Loudon, Deputy Director, Division of

Nuclear Materials Safety, other NRC Materials Inspection Branch staff, and Messrs. Steve Flickinger, Safety Director, William Reeve, Radiation Safety Officer (RSO), and you of JANX, the NRC discussed the inspector's observations during the temporary job site inspection and the significance of the issues. During these discussions, JANX conveyed their awareness of the issues, their commitment to safety and security, and a description of their immediate and planned corrective actions.

Based on our conversations and the referenced letters, it is our understanding that you have taken or will take the following actions:

1. During the period of July 29 – August 1, 2011, the Prudhoe Bay, Alaska jobsite supervisor provided additional supervision of the crew;
2. As of August 1, 2011, the radiography crew has been replaced and will not conduct radiography until your internal investigation has been completed and any retraining and disciplinary action from JANX has been completed;
3. Your RSO will be initiating an investigation in Alaska on August 3, 2011;
4. The radiography crew will return to the Parma, Michigan office for interviews on August 4, 2011. In addition, the lead radiographer will complete an evaluation and additional training;
5. On August 2, 2011, you sent a notice to all JANX auditors, managers, and supervisors, on the importance of safety, security compliance with NRC/State regulations, JANX procedures, and complete cooperation with NRC/State Inspectors, a copy of your notice to the NRC;
6. You will participate in the teleconference with the NRC Region III office at 10:00 a.m. (CDT) on Wednesday August 10, 2011, to provide an update on your investigation into this matter. You will contact our office in the interim if your investigation uncovers important findings;
7. At the conclusion of your investigation, a safety bulletin/lessons learned communication will be shared with all your radiographic personnel. You will provide a copy of this communication to the NRC; and
8. You will submit a written report of your investigation and its findings to the NRC within 30 days.

If your understanding of the actions you have taken or plan to take differs from those described above, please notify me immediately. In addition, notify me if you modify these actions described above and advise me in writing of your modified corrective actions in advance of the change.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

J. Newland

-3-

We will gladly discuss any questions you have concerning this matter.

Sincerely,

/RA by Cynthia D. Pederson acting for/

Mark A. Satorius
Regional Administrator

Docket No.: 030-11772
License No.: 21-16560-01

cc: Steve Flickinger, Safety Director
Bill Reeves, Radiation Safety Officer
State of Michigan

J. Newland

-3-

We will gladly discuss any questions you have concerning this matter.

Sincerely,

/RA by Cynthia D. Pederson acting for/

Mark A. Satorius
Regional Administrator

Docket No.: 030-11772
License No.: 21-16560-01

cc: Steve Flickinger, Safety Director
Bill Reeves, Radiation Safety Officer
State of Michigan

DISTRIBUTION:

Ray Lorsen
Roy Caniano
Cynthia Pederson
Patrick Loudon
Patricia Loughheed
Scott Langen
Carole Ariano
Paul Pelke
Patricia Buckley
Tammy Tomczak
MIB Inspectors

*See previous concurrence

DOCUMENT NAME: G:\DNMS\Work in progress\LTR - JANX ack letter (3).docx

☒ Publicly Available ☐ Non-Publicly Available ☐ Sensitive ☒ Non-Sensitive

To receive a copy of this document, indicate in the concurrence box "C" = Copy without attach/encl "E" = Copy with attach/encl "N" = No copy

OFFICE	RIII-DNMS		RIII-DNMS		RIII-EICS		RIII-DNMS	
NAME	DAPiskura:jc*		TEBloomer*		SKOrth		ATBoland	
DATE	08/03/11		08/03/11		08/03/11		08/03/11	
OFFICE	RIII-ORA							
NAME	MASatorius CDP for							
DATE	08/04/11							

OFFICIAL RECORD COPY