

August 14, 2013

EA-13-167

Mr. Larry Hendren, P.E., RG
President
Engineering Surveys and Services, LLC
1113 Fay Street
Columbia, MO 65201

SUBJECT: NRC ROUTINE INSPECTION REPORT NO. 03017948/2013001(DNMS),
EXERCISE OF ENFORCEMENT DISCRETION, AND NOTICE OF VIOLATION
– ENGINEERING SURVEYS AND SERVICES, LLC

Dear Mr. Hendren:

On July 17 and 18, 2013, an inspector from the U.S. Nuclear Regulatory Commission (NRC) conducted a routine inspection at your offices in Jefferson City, Missouri, and Columbia, Missouri. The purpose of the inspection was to review activities performed under your NRC license to ensure that activities were being performed in accordance with NRC requirements. A final exit meeting was held between you, Mr. Joshua Lehmen of your staff, and Mr. Craffey of my staff on July 18, 2013.

During this inspection, the NRC staff examined activities conducted under your license related to public health and safety. Additionally, the staff examined your compliance with the Commission's rules and regulations as well as 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 one 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 website at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The violation concerned the licensee's failure to 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 control and constant surveillance, as required by Title 10 of the *Code of Federal Regulations* (CFR) Part 30.34(i).

The violation was identified by the NRC inspector, and as such, is cited in the enclosed Notice of Violation (Notice). Violations of 10 CFR 30.34(i) are normally characterized in the Enforcement Policy at Severity Level III and considered for escalated enforcement action. However, in accordance with Enforcement Guidance Memorandum 11-004, the NRC exercised discretion to characterize this violation at Severity Level IV because: (1) one physical control existed to prevent loss or theft of the portable gauge; (2) you retained possession of the gauge; (3) the violation was isolated; and (4) no indication of programmatic weakness was identified.

The inspector determined that the root cause of the violation was the licensee's incomplete understanding of the NRC's security requirements for portable gauges. To restore compliance

with NRC requirements, your staff used existing measures to provide a second independent physical control at both locations.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The guidance in NRC Information Notice 96-28, "Suggested Guidance Relating to Development and Implementation of Corrective Action," may be useful in preparing your response. You can find the Information Notice on the NRC's website at: <http://www.nrc.gov/reading-rm/doc-collections/gen-comm/infonotices/1996/in96028.html>. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements. 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, its enclosure, and your response, will be made available electronically for public inspection in the NRC's Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC's website 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 publicly available without redaction.

Please feel free to contact Ryan Craffey of my staff if you have any questions regarding this inspection. Mr. Craffey can be reached at (630) 829-9655.

Sincerely,

/RA/

Aaron T. McCraw, Chief
Materials Inspection Branch
Division of Nuclear Materials Safety

Docket No. 030-17948
License No. 24-20089-01

Enclosure:
Notice of Violation

cc w/encl: Joshua Lehmen, P.E., RSO
State of Missouri

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Docket No. 030-17948
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cc w/encl: Joshua Lehmen, P.E., RSO
State of Missouri

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NOTICE OF VIOLATION

Engineering Surveys and Services, LLC
Columbia, MO

Docket No. 030-17948
License No. 24-20089-01
EA-13-167

During a U.S. Nuclear Regulatory Commission (NRC) inspection conducted on July 17 and 18, 2013, one violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

Title 10 of the *Code of Federal Regulations* (CFR) Part 30.34(i) requires that each portable gauge licensee 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, on July 17, 2013, Engineering Surveys and Services did not use a minimum of two independent physical controls to secure their gauges from unauthorized removal. Specifically, the licensee utilized only one independent physical control, a locked steel cable, to secure each of its portable gauges in storage at offices in Jefferson City and Columbia, Missouri, and did not maintain control and constant surveillance of the gauges.

This is a Severity Level IV violation (EGM-11-004).

Pursuant to the provisions of CFR 2.201, Engineering Surveys and Services, LLC, is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001, 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: (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, and (4) the date when full compliance was or will be achieved. Your response may reference or include previously 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, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

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

Dated this 14th day of August 2013.

Enclosure