



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

Region III
2443 Warrenville Road, Suite 210
Lisle IL 60532-4352

October 30, 2013

EA-13-131

Mr. James P. Bell, President
ADCO Services, Inc.
17650 Duvan Dr.
Tinley Park, IL 60477

**SUBJECT: NOTICE OF VIOLATION – ADCO SERVICES, INC.; NRC SPECIAL
INSPECTION REPORT NO. 03007490/2013001(DNMS)**

Dear Mr. Bell:

This refers to a U.S. Nuclear Regulatory Commission (NRC) inspection conducted on April 5, 2013, at your facility located in Tinley Park, Illinois, with continued in-office review through July 5, 2013. During the inspection, an apparent violation of NRC requirements was identified. The significance of the issue and the need for lasting and effective corrective actions were discussed with you during an exit meeting on July 5, 2013. Details regarding the apparent violation were provided in NRC Inspection Report No. 03007490/2013001(DNMS) dated July 22, 2013.

In the letter transmitting the report, we provided you with the opportunity to address the apparent violation identified in the report in one of three ways: (1) by responding in writing within 30 days of the date of the letter; (2) by requesting a Predecisional Enforcement Conference (PEC), or (3) by attending an alternative dispute resolution session. You provided a written response in a letter dated August 23, 2013.

Based on the information developed during the inspection and the information that you provided in your written response dated August 23, 2013, the NRC has determined that a violation of NRC requirements occurred. The violation is cited in the enclosed Notice of Violation (Notice), and the circumstances surrounding it are described in detail in our inspection report dated July 22, 2013.

The violation involves your failure to appoint a qualified individual to act as the Radiation Safety Officer (RSO) for NRC Materials License No. 12-11266-01, following the departure of the RSO specifically listed in Condition 11.A of your license. The failure to have a qualified individual to fulfill the duties and responsibilities of the RSO is a significant regulatory concern because you could have performed services under your NRC license without having a RSO available to ensure that you were meeting the conditions of your license. In evaluating the significance of the issue, the NRC took into consideration the fact that you were previously cited a Severity Level IV violation for failure to obtain a license amendment naming the new RSO on your NRC license, during an NRC inspection conducted in June 2011. The NRC also determined that the time frame that you were without a qualified and approved RSO for your NRC license was 12 months spanning 2012 and 2013, as compared to the two months in 2011. The NRC determined that the root cause of the repeat violation was a lack of attention to detail by licensee management to its NRC license requirements. Therefore, the NRC has categorized the above violation as a Severity Level III violation.

In accordance with the NRC Enforcement Policy, a base civil penalty in the amount of \$3,500 is normally considered for a Severity Level III violation. Because your facility has not been the subject of escalated enforcement actions within the last two years, the NRC considered whether credit was warranted for *Corrective Action* in accordance with the civil penalty assessment process described in Section 2.3.4 of the Enforcement Policy. The NRC determined that credit was warranted for your corrective actions. Your immediate corrective action was to obtain a license amendment naming a new RSO on the license, rectifying the violation. Your long-term corrective action consisted of placing a sheet on top of the NRC license informing the RSO that if he planned to leave, he needed to inform the NRC along with a form for the new RSO to complete to provide to the NRC. While the NRC deemed the corrective actions sufficient to correct the violation, licensee management is ultimately responsible for ensuring that all regulatory requirements are met, independent of the RSO.

Therefore, to encourage prompt and comprehensive correction of violations, and in recognition of the absence of previous escalated enforcement action, I have been authorized, after consultation with the Director, Office of Enforcement, to not propose a civil penalty in this case. In addition, issuance of this Notice constitutes escalated enforcement action that may subject you to increased inspection effort.

The NRC has concluded that information regarding the reason for the violations, the corrective actions taken and planned to correct the violations, and the date when full compliance was achieved, was adequately addressed on the docket in NRC Inspection Report No. 03007490/2013001(DNMS) dated July 22, 2013, and in your written response dated August 23, 2013. Therefore, you are not required to respond to this letter unless the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, if you choose to provide one, 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>. Therefore, to the extent possible, your response should not include any personal privacy or proprietary information so that it can be made available to the Public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such information, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information

J. Bell

-3-

required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). The NRC also includes significant enforcement actions on its Web site at http://www.nrc.gov/reading_rm/doc_collections/enforcement/actions/.

Sincerely,

/RA by A. Boland for/

Cynthia D. Pederson
Regional Administrator

Docket No. 03007490
License No. 12-11266-01

Enclosure:
Notice of Violation

cc w/encl: Christopher Kolb,
Radiation Safety Officer
State of Illinois

NOTICE OF VIOLATION

ADCO Services, Inc.
Tinley Park, Illinois

Docket No. 030-07490
License No. 12-11266-01
EA-13-131

During a U.S. Nuclear Regulatory Commission (NRC) inspection conducted on April 5, 2013, at your Tinley Park, Illinois facility, with continued in-office review through July 5, 2013, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

License Condition 11 A. of NRC License No. 12-11286-01, Amendment 39, authorized a specifically named individual to fulfill the duties of the Radiation Safety Officer (RSO) for the license.

Contrary to the above, from July 1, 2012, through July 8, 2013, the named individual, specifically authorized by Condition 11.A of the license to fulfill the duties and responsibilities as RSO, was not employed by the licensee and did not fulfill the duties and responsibilities as RSO. Specifically, the RSO left the company on June 30, 2012, and the licensee did not hire a new qualified RSO and submit an amendment request to the NRC until February 1, 2013. The NRC approved the new license amendment on July 8, 2013.

This is a Severity Level III violation (Sections 6.3).

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to be taken to correct the violation, and the date when full compliance was achieved is already adequately addressed on the docket in NRC Inspection Report No. 03007490/2013001(DNMS) dated July 22, 2013, and in your response dated August 22, 2013. However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation, EA-13-131," and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001 with a copy to the Regional Administrator, Region III, 2443 Warrenville Road, Suite 210, Lisle, IL 60532, within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

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, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

If you choose to respond, your response 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>. Therefore, to the extent possible, your response should not include any personal privacy or proprietary information so that it can be made available to the Public without redaction.

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

Dated this 30th day of October, 2013

Enclosure

J. Bell

-3-

required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). The NRC also includes significant enforcement actions on its Web site at http://www.nrc.gov/reading_rm/doc_collections/enforcement/actions/.

Sincerely,

/RA by A. Boland for/

Cynthia D. Pederson
Regional Administrator

Docket No. 03007490
License No. 12-11266-01

Enclosure:
Notice of Violation

cc w/encl: Christopher Kolb,
Radiation Safety Officer
State of Illinois

SEE PREVIOUS CONCURRENCE

FILE NAME: G:\ORAI\IEICS\ENFORCEMENT\Cases\Enforcement Cases 2013\EA-13-131 ADCO\EA-13-131 ADCO draft final action.docx

OFFICE	RIII	RIII	RIII	D:OE	RIII	RIII
NAME	Lougheed	McCraw	Louden AMStone	Zimmerman ¹ DKerstun for	Orth	Pederson
DATE	10/07/13	10/22/13	10/22/13	10/29/13	10/30/13	10/30/13

OFFICIAL RECORD COPY

¹ OE concurrence received via email from D. Kerstun on October 29, 2013.

Letter to James P. Bell from Cynthia D. Pederson dated October 30, 2013

SUBJECT: NOTICE OF VIOLATION – ADCO SERVICES, INC.; NRC SPECIAL
INSPECTION REPORT NO. 03007490/2013001(DNMS)

Distribution:

RidsSecyMailCenter.Resource
OCADistribution
Mark Satorius
Michael Weber
Roy Zimmerman
Nick Hilton
Kerstun Day
Cynthia Pederson
Anne Boland
Marvin Itzkowitz
Catherine Scott
Brett Klukan
Brian Holian
Pamela Henderson
Michele Burgess
Robert Sun
Daniel Holody
Carolyn Evans
Heather Gepford
Holly Harrington
Hubert Bell

Cheryl McCrary
Seth Coplin
Patrick Loudon
Ann Marie Stone
Aaron McCraw
MIB Inspectors
Steven Orth
Allan Barker
Harral Logaras
James Lynch
Viktoria Mitlyng
Prema Chandrathil
Patricia Lougheed
Paul Pelke
Magdalena Gryglak
Sarah Bakhsh
Patricia Buckley
Tammy Tomczak
RidsOemailCenter
OEWEB Resource