



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

REGION III
2443 WARRENVILLE ROAD, SUITE 210
LISLE, IL 60532-4352

November 19, 2013

Mr. Gustavo N. Haengel
Radiation Safety Officer
Haengel & Associates Engineering Incorporated
42040 Koppernick Road
Suite 407
Canton, MI 48187

Dear Mr. Haengel:

Enclosed is Amendment No. 04 to your U.S. Nuclear Regulatory Commission's (NRC) Material License No. 21-32321-01 in accordance with your request. Please note that the changes made to your license are printed in **bold** font.

Please note that License Condition 19 regarding the requirement for non-routine maintenances was deleted because it was a duplicate of License Condition 17, and a new License Condition 19 was added regarding the transportation of licensed materials in accordance with the NRC's licensing policy.

Please review the enclosed document carefully and be sure that you understand all conditions. If there are any errors or questions, please notify the NRC Region III office at (630) 829-9887 so that we can provide appropriate corrections and answers.

Additionally, during its review, the NRC has determined that a Severity Level IV violation of NRC requirements occurred. This 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 failure of Haengel & Associates Engineering Incorporated to confine the possession and use of byproduct material to the locations authorized in Condition 10 of NRC License 21-32321-01, as required by Title 10 of the *Code of Federal Regulations* (CFR) Part 30.34(c). The violation is cited in the enclosed Notice of Violation (Notice).

Licensees are required to notify the NRC of any changes in the authorized locations where nuclear materials are used and stored and to request the appropriate changes to their NRC license. The NRC takes the failure to do so very seriously. However, we have evaluated this violation and determined that the change in locations had minimal radiological or programmatic significance and that you were implementing the required radiological safety and security controls over the materials at the new location.

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation, and the date when full compliance was achieved, was adequately addressed on the docket in NRC Materials License amendment, under Mail Control Number 582261, and in your submittal dated October 29, 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. You will be periodically inspected by NRC. Failure to conduct your program in accordance with NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC will result in enforcement action against you. This could include issuance of a notice of violation, or imposition of a civil penalty, or an order suspending, modifying or revoking your license as specified in the General Statement of Policy and Procedure for NRC Enforcement Actions. Since serious consequences to employees and the public can result from failure to comply with NRC requirements, prompt and vigorous enforcement action will be taken when dealing with licensees who do not achieve the necessary meticulous attention to detail and the high standard of compliance which NRC expects of its licensees.

The NRC's Safety Culture Policy Statement became effective in June 2011. While a policy statement and not a regulation, it sets forth the agency's *expectations* for individuals and organizations to establish and maintain a positive safety culture. You can access the policy statement and supporting material that may benefit your organization on NRC's safety culture Web site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/safety-culture.html>. We strongly encourage you to review this material and adapt it to your particular needs in order to develop and maintain a positive safety culture as you engage in NRC-regulated activities.

In accordance with 10 CFR 2.390, a copy of this letter, its enclosures, and your response, if you choose to provide one, will be 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

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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 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/

Patricia J. Pelke, Chief
Materials Licensing Branch
Division of Nuclear Materials Safety

License No. 21-32321-01
Docket No. 030-35736

Enclosures:

1. License Amendment No. 04
2. Notice of Violation

cc w/encl 2: State of Michigan

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Sincerely,

/RA/

Patricia J. Pelke, Chief
Materials Licensing Branch
Division of Nuclear Materials Safety

License No. 21-32321-01
Docket No. 030-35736

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1. License Amendment No. 04
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cc w/encl 2: State of Michigan

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NOTICE OF VIOLATION

Haengel & Associates Engineering Inc.
42040 Koppernick Road, Suite 407
Canton, Michigan

Docket No. 030-35736
License No. 21-32321-01
Mail Control No. 582261

During a U.S. Nuclear Regulatory Commission (NRC) materials license review initiated by an amendment request received October 17, 2013, a 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(c) requires, in part, that each person licensed by the Commission pursuant to the regulations in this part and Parts 31 through 36 and 39 shall confine his possession and use of byproduct material to the locations and purposes authorized in the license.

Condition 10 of NRC License 21-32321-01, Amendment No. 03, states that licensed material shall be used or stored only at the licensee's facilities located at 42020 Koppernick Road, Suite 206, Canton, Michigan, 42030 Koppernick Road, Suite 314, Canton, Michigan and at temporary job sites of the licensee anywhere in the United States where the NRC maintains jurisdiction for regulating the use of licensed material.

Contrary to the above, as of July 1, 2012, Haengel & Associates Engineering Incorporated has stored its licensed materials at an unauthorized location. Specifically, the licensee has stored five Troxler moisture/density portable gauging devices, each nominally containing 9 millicuries of cesium-137 and 44 millicuries of americium-241, at 42040 Koppernick Road, Suite 407, Canton, Michigan, a location that was not authorized by the license.

This is a Severity Level IV violation (Section 6.3.D.9).

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence, and the date when full compliance was or will be achieved, is already adequately addressed on the docket. 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, Mail Control Number 582261" 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, within 30 days of the date of the letter transmitting this Notice.

If you choose to respond, 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.

Enclosure 2

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 19th day of November 2013.