

SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION

1. LICENSEE/LOCATION INSPECTED: Lee Steel Holdings, LLC. 5875 Weller Court SW Wyoming, MI 49509 REPORT NUMBER(S) 2016001	2. NRC/REGIONAL OFFICE Region III U. S. Nuclear Regulatory Commission 2443 Warrenville Road, Suite 210 Lisle, IL 60532-4352
--	---

3. DOCKET NUMBER(S) 99990003	4. LICENSE NUMBER(S) 10 CFR 31.5	5. DATE(S) OF INSPECTION 1/22/2016
-------------------------------------	---	---

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:

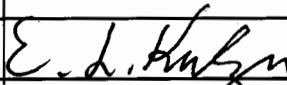
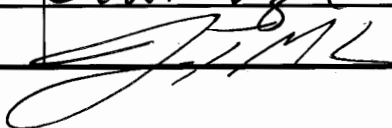
- 1. Based on the inspection findings, no violations were identified.
- 2. Previous violation(s) closed.
- 3. The violation(s), specifically described to you by the inspector as non-cited violations, are not being cited because they were self-identified, non-repetitive, and corrective action was or is being taken, and the remaining criteria in the NRC Enforcement Policy, to exercise discretion, were satisfied.

Non-cited violation(s) were discussed involving the following requirement(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 in accordance with NRC Enforcement Policy. This form is a NOTICE OF VIOLATION, which may be subject to posting in accordance with 10 CFR 19.11.
(Violations and Corrective Actions)

Statement of Corrective Actions

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			
NRC INSPECTOR	E.L. Kulzer		2/10/16
BRANCH CHIEF	A.T. McCraw		2/11/16

SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION

1. LICENSEE/LOCATION INSPECTED: Lee Steel Holdings, LLC. 5875 Weller Court SW Wyoming, MI 49509 REPORT NUMBER(S) 2016001		2. NRC/REGIONAL OFFICE Region III U. S. Nuclear Regulatory Commission 2443 Warrenville Road, Suite 210 Lisle, IL 60532-4352	
3. DOCKET NUMBER(S) 99990003	4. LICENSE NUMBER(S) 10 CFR 31.5	5. DATE(S) OF INSPECTION 1/22/2016	

(Continued)

Docket File Information

SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION

1. LICENSEE/LOCATION INSPECTED:

Lee Steel Holdings, LLC.
5875 Weller Court SW
Wyoming, MI 49509

REPORT NUMBER(S) 2016001

2. NRC/REGIONAL OFFICE

Region III
U. S. Nuclear Regulatory Commission
2443 Warrenville Road, Suite 210
Lisle, IL 60532-4352

3. DOCKET NUMBER(S)

99990003

4. LICENSE NUMBER(S)

10 CFR 31.5

5. DATE(S) OF INSPECTION

1/22/2016

6. INSPECTION PROCEDURES USED

IP 87124

7. INSPECTION FOCUS AREAS

03.01 through 03.07

SUPPLEMENTAL INSPECTION INFORMATION

1. PROGRAM CODE(S)

03120

2. PRIORITY

5

3. LICENSEE CONTACT

Jeff Spicer

4. TELEPHONE NUMBER

(616) 723-8562

- Main Office Inspection Next Inspection Date: _____
- Field Office Inspection _____
- Temporary Job Site Inspection _____

PROGRAM SCOPE

This was a routine inspection of a steel manufacturing company. The licensee possessed two generally licensed fixed AGT Model 400 gauges. The inspector determined that the responsible person was involved with use and oversight of the devices. The inspector determined that the licensee notified the NRC of the change in ownership of the company and has performed the necessary leak tests and shutter checks for the devices. The new company has not changed locations, uses, and /or personnel working with the gauges.

The former Lee Steel Company had gone bankrupt and closed its facility in Romulus, Michigan. The two ATG Model 400 gauges at the Romulus facility were sent to HILCO Industrial in Grand Rapids, Michigan. The NRC was properly notified by the vendor Advanced Gauging Technologies who leak tested and packaged these gauges before shipment.

Performance Observations

The inspector toured the plant at the Wyoming, MI. facility and observed the gauges in conjunction with the licensee's current inventory. The licensee leak tested the gauges at the required six month frequencies in accordance with manufacturers specifications. The inspector determined that inventories and shutter checks are performed at required frequencies.

Proper lock-out and leak test procedures were also adequately described. The inspector performed independent and confirmatory radiation measurements which indicated similar results as noted in the licensee's survey records.

No violations of NRC regulatory requirements were identified during this inspection.