



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**  
REGION IV  
1600 E. LAMAR BLVD.  
ARLINGTON, TX 76011-4511

February 25, 2016

Ms. Michelle White  
Radiation Safety Officer  
DMS Health Technologies  
109 South Petro Avenue  
Sioux Falls, SD 57107

**SUBJECT: NRC INSPECTION REPORT 030-36404/2015-001 AND NOTICE OF VIOLATION**

Dear Ms. White:

This letter refers to the routine, unannounced inspection conducted on June 17, 2015, at your facility in Sioux Falls, South Dakota. The inspection was an examination of activities conducted under your license as they relate to public health and safety, to confirm compliance with the Nuclear Regulatory Commission's (NRC) rules, regulations, and with the conditions of your license. Within these areas, the inspection consisted of a selected examination of procedures and representative records, observations of activities, independent radiation measurements, and interviews with personnel. On June 17, 2015, at the conclusion of the onsite portion of the inspection, the inspectors discussed the preliminary inspection findings with you. A final exit briefing was conducted telephonically with you on February 17, 2016.

Based on the results of this inspection, the NRC has determined that three Severity Level IV violations of NRC requirements occurred. The violations were evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's Web site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The violations involved the performance of instrument calibration by individuals not authorized on the license, calibration records not containing information required by the license commitments, and performance of instrument calibrations for licenses other than the licensee. The violations are being cited in the enclosed Notice of Violation (Notice) because the NRC identified the violations during the inspection.

The NRC has concluded that information regarding: (1) the reason for the violations; (2) the corrective actions that have been taken and the results achieved; and (3) the date when full compliance will be (was) achieved is already adequately addressed on the docket. On June 17, 2015, based on the inspection observations, you ceased instrument calibration activities. You subsequently submitted an amendment request dated July 1, 2015, and participated in a telephone conversation that was summarized in an email dated October 21, 2015, regarding ceasing instrument calibration activities and placing the calibration source in storage. Therefore, you are not required to respond to this letter unless the description herein does not accurately reflect your corrective actions or your position. In that

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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 "Agency Rules of Practice and Procedure," a copy of this letter, its enclosures, 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>. 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.

Should you have any questions regarding this letter or the enclosed Notice, please contact Janine F. Katanic, PhD, CHP, at 817-200-1151 or the undersigned at 817-200-1456.

Sincerely,

**/RA/**

Brooke G. Smith, Acting Chief  
Nuclear Materials Safety Branch A  
Division of Nuclear Materials Safety

Docket No: 030-36404  
License No: 40-32477-01

Enclosure:  
Notice of Violation (Notice)

cc: State of South Dakota, Radiation Control Program Director

M. White

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In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter, its enclosures, 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>. 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.

Should you have any questions regarding this letter or the enclosed Notice, please contact Janine F. Katanic, PhD, CHP, at 817-200-1151 or the undersigned at 817-200-1456.

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**/RA/**

Brooke G. Smith, Acting Chief  
Nuclear Materials Safety Branch A  
Division of Nuclear Materials Safety

Docket No: 030-36404  
License No: 40-32477-01

Enclosure:  
Notice of Violation (Notice)

cc: State of South Dakota, Radiation Control Program Director

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OFFICE	RIV:DNMS	RIV:DNMS	AC:NMSB-A		
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## NOTICE OF VIOLATION

DMS Health Technologies  
Sioux Falls, South Dakota

Docket No. 030-36404  
License No. 40-32477-01

During an NRC inspection conducted on June 17, 2015, three violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A) License Condition 12 of NRC License 40-32477-01, Amendment No. 40, requires that licensed material is only authorized for use by, or under the supervision of individuals listed in License Conditions 12.A. and 12.B.

Contrary to the above, from June 7, 2012 through June 17, 2015, licensed material was not used by or under the supervision of individuals in accordance with License Condition 12.A. or by named Authorized Users in License Condition 12.B. Specifically, two individuals utilized licensed material authorized in License Condition 6.D. and the individuals were not under the supervision of individuals in accordance with License Condition 12.A. and were not listed as Authorized Users in License Condition 12.B.

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

- B) License Condition 9.D. of NRC License 40-32477-01, Amendment No. 40, requires that material listed in License Condition 6.D. shall be used for training and calibration of the licensee's survey meters and personnel dosimeters.

Contrary to the above, from June 7, 2012 through June 17, 2015, the licensee failed to limit the use of the material listed in License Condition 6.D. to training and calibration of the licensee's survey meters and personnel dosimeters. Specifically, the licensee used the material listed in License Condition 6.D. for calibration of survey meters for other licensees.

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

- C) License Condition 18.A. of NRC License 40-32477-01, Amendment No. 40, requires, in part, that the licensee shall conduct its program in accordance with the statements, representations, and procedures contained in the documents, including any enclosures, listed in the license.

License application dated October 12, 2011, Item 8.17, Attachment E "Calibration Procedure for Radiation Survey Meters" provides a list of information to be recorded by the licensee in a calibration record, including: (1) a description of the NIST-traceable calibration source, including the calibration procedure, exposure rate, distance at which it was measured and date of measurement; (2) the exposure reading indicated with the instrument in the "battery check" mode (if available on the instrument); and (3) for instruments with external detectors, the angle between the radiation flux field and the detector (i.e. parallel or perpendicular).

Contrary to the above, from June 7, 2012 through June 17, 2015, the licensee failed to record all the information listed in Item 8.17, Attachment E "Calibration Procedure for Radiation Survey Meters" in instrument calibration records, including: (1) a description

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of the NIST-traceable calibration source, including the calibration procedure, exposure rate, distance at which it was measured and date of measurement; (2) the exposure reading indicated with the instrument in the "battery check" mode (if available on the instrument); and (3) for instruments with external detectors, the angle between the radiation flux field and the detector (i.e. parallel or perpendicular).

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

The NRC has concluded that information regarding the reason for the violations, the corrective actions taken and planned to correct the violations and prevent recurrence, and the date when full compliance will be (was) achieved, is already adequately addressed on the docket. On June 17, 2015, based on the inspection observations, the licensee ceased instrument calibration activities. On July 1, 2015, the licensee submitted an amendment request, which was followed up with a telephone conversation that was summarized in an email dated October 21, 2015. The license was amended in Amendment No. 41 on October 22, 2015. The amendment removed the authorization to perform instrument calibration and changed the authorized use of the instrument calibrator to "storage only." 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," 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 IV, within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

If you choose to respond, your response will be made available electronically for public inspection in the NRC Public Document Room or in 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, the 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 within two working days of receipt.

Dated this 25<sup>th</sup> day of February 2016