



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

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

June 17, 2016

EA-16-122

Mr. Scott Nachazel, Facility Manager
East Jordan Iron Works, Inc.
301 Spring Street
East Jordan, MI 49727

SUBJECT: NRC ROUTINE INSPECTION REPORT NO. 03037892/2016001(DNMS) AND
NOTICE OF VIOLATION – EAST JORDAN IRON WORKS, INC.

Dear Mr. Nachazel:

On April 19, 2016, an inspector from the U.S. Nuclear Regulatory Commission (NRC) conducted a routine inspection at your East Jordan facility, with continued in-office review through June 7, 2016. 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. The in-office review included a review of the qualifications of the proposed Radiation Safety Officer. Mr. Edward Kulzer of my staff conducted a final exit meeting by telephone with Mr. Scott Shepherd of your staff on June 9, 2016, to discuss the inspection findings.

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 a 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 involved the failure for the individual specifically authorized by Condition 12 of your NRC Materials License to fulfill the duties and responsibilities as Radiation Safety Officer (RSO). The violation is cited in the enclosed Notice of Violation (Notice). The NRC is citing the violation in the enclosed Notice because the inspector identified the violation.

The inspector determined that the root cause of the violation was the lapse in management oversight of the administrative requirements of the NRC Materials License. As corrective actions to restore compliance, the licensee appointed a new individual to fulfill the duties and responsibilities of RSO and submitted a license amendment request to the NRC on April 19, 2016. The newly appointed RSO, who is also a member of licensee management, is aware of these requirements now and will ensure that any future changes to licenses are appropriately and timely communicated to the NRC.

S. Nachazel

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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 will be achieved is already adequately addressed on the docket in this letter. 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 case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

In accordance with Title 10 of the *Code of Federal Regulations* (CFR) Section 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'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 Mr. Kulzer of my staff if you have any questions regarding this inspection. Mr. Kulzer can be reached at 630-829-9875.

Sincerely,

/RA/

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

Docket No. 030-37892
License No. 21-13462-03

Enclosure:
Notice of Violation

cc w/encl: Scott Shepherd, Radiation
Safety Officer
State of Michigan

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 will be achieved is already adequately addressed on the docket in this letter. 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 case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

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

Docket No. 030-37892
License No. 21-13462-03

Enclosure:
Notice of Violation

cc w/encl: Scott Shepherd, Radiation
Safety Officer
State of Michigan

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NAME	EKulzer:ps		RSkokowski		AMcCraw			
DATE	6/16/2016		6/17/2016		6/17/2016			

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NOTICE OF VIOLATION

East Jordan Iron Works, Inc.
East Jordan, Michigan

License No. 21-13462-03
Docket No. 030-37892
EA-16-122

During a U.S. Nuclear Regulatory Commission (NRC) inspection conducted on April 19, 2016, with continued in-office review through June 7, 2016, one violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

Condition 12 of NRC License No. 21-13462-03, dated February 26, 2009, authorized a specifically named individual to fulfill the duties and responsibilities of the Radiation Safety Officer (RSO) for the license.

Contrary to the above, as of February 20, 2015, the named individual, specifically authorized by Condition 12 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 of the RSO. Specifically, the individual listed as RSO left the company on February 20, 2015; and since that time, the licensee had not notified the NRC nor submitted an amendment request to name the new individual who was performing the duties and responsibilities of the RSO, and who was determined by the NRC to be technically qualified, on the license.

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

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 achieved, is already adequately addressed on the docket in letter transmitting this Notice of Violation (Notice). However, you are required to submit a written statement or explanation pursuant to Title 10 of the *Code of Federal Regulations* (CFR) Section 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, IR 03037892/2016001(DNMS)" 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.

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 17th day of June, 2016.