

**SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION**

<b>1. LICENSEE/LOCATION INSPECTED:</b> Jerome Cheese Company 547 West Nez Perce Ave. Jerome, ID 83338  REPORT NO: 999-90001/2016-002		<b>2. NRC/REGIONAL OFFICE</b>  U.S. Nuclear Regulatory Commission Region IV, 1600 East Lamar Blvd Arlington, Texas 76011-4511	
<b>3. DOCKET NUMBER</b> 999-90001	<b>4. LICENSE NUMBER</b> GL-61495-19	<b>5. DATE OF INSPECTION</b> 7/11/2016	

**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) was/were discussed involving the following requirement(s) and Corrective Action(s):

**X** 4. During this inspection certain of your activities, as described below and/or attached, were in violation of NRC requirements and are being cited. This form is a NOTICE OF VIOLATION, which may be subject to posting in accordance with 10 CFR 19.11.

10 CFR 31.5(c)(15) requires, in part, that any person who possesses byproduct material in a device pursuant to a general license may not hold devices that are not in use for longer than 2 years. Devices kept in standby for future use are excluded from the two-year time limit if the general licensee performs quarterly physical inventories of these devices while they are in standby.

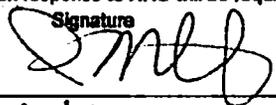
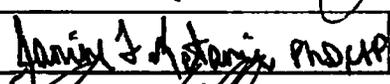
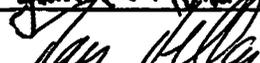
Contrary to the above, for several years, the licensee possessed byproduct material in two devices pursuant to a General License and the devices were no longer in use, and were held in storage for longer than 2 years. Specifically, between 2008 and July 11, 2016, a period of greater than 2 years, the licensee possessed two generally licensed fixed gauges (Berthold Models LB 7440) pursuant to General License GL-61495-19, removed the devices from use, and held the devices in storage with no intent to keep the devices in standby for future use.

As a corrective action, the licensee obtained quotes from authorized vendors to properly dispose of the devices containing byproduct material. The selected vendor will leak test and properly package the devices for transport and disposal. This is expected to occur by August 31, 2016. Until that time, the devices are being maintained in secure storage by the licensee. After the disposal is complete, the licensee will provide notification to NRC regarding the transfer of the devices as required by 10 CFR 31.5(c)(8)(v).

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

**Licensee's Statement of Corrective Actions for Item 4, above.**

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 LICENSEE'S REPRESENTATIVE	Printed Name PEGGY DORTCH	Signature 	Date 7/27/2016
NRC INSPECTOR	Janine F. Katanic, PhD, CHP		7/27/2016
BRANCH CHIEF	Ray L. Kellar, P.E.		8/8/16

## Katanic, Janine

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**From:** Peggy Dortch <Peggy.Dortch@DaviscoFoods.com>  
**Sent:** Thursday, July 28, 2016 10:20 AM  
**To:** Katanic, Janine  
**Subject:** [External\_Sender] RE: NRC Inspection Report  
**Attachments:** JCC\_NOV\_07-11-2016.pdf

Janine,

Attached as file is the signed document. Thank you again for your help and education.

Regards,



**DAVISCO**  
BUSINESS UNIT OF AGRIUM

**Peggy Dortch**  
Environmental Director  
208-324-8806  
208-324-8892 (fax)  
Jerome Cheese Company  
Jerome, ID 83338

 Please consider the environment before printing this email

**From:** Katanic, Janine [mailto:Janine.Katanic@nrc.gov]  
**Sent:** Wednesday, July 27, 2016 4:31 PM  
**To:** Peggy Dortch <Peggy.Dortch@DaviscoFoods.com>  
**Subject:** NRC Inspection Report

Peggy,

I appreciate you speaking with me today to finalize the results of the NRC inspection. As discussed, one Severity Level IV violation was identified, of which you have taken corrective actions to address. The violation is described in the attached NRC Inspection Report (NRC Form 591M Part 1). Please review the written violation and documented corrective actions and let me know if you have any questions/comments. If you have no questions/comments, read the Licensee's Statement of Corrective Actions, and you or a member of your management ("Licensee's Representative") should sign/date and return the form to me. It can be signed, scanned, and sent back electronically. No other response is required.

Thank you again for your attention to this issue and for taking steps to promptly correct it, helping to assure that radioactive material does not inadvertently enter the public domain. If any questions arise regarding the transfer of the gauges for disposal, please contact me.

Regards,  
Janine

Janine F. Katanic, PhD, CHP  
Senior Health Physicist  
US Nuclear Regulatory Commission  
Region IV  
Division of Nuclear Materials Safety  
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