



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

May 25, 2017

Mr. George Bornemann
Livingston Office Manager
CTA
121 South Main Street
Livingston, MT 59047

SUBJECT: NRC SPECIAL INSPECTION REPORT 030-37887/2017-001; AND NOTICE OF VIOLATION

Dear Mr. Bornemann:

This letter refers to the unannounced special inspection conducted on April 26, 2017, at your facility in Livingston, Montana. The inspection was conducted in response to CTA changing Radiation Safety Officers (RSO) before requesting a license amendment that authorized the change in RSO. The NRC conducted a final exit meeting with a Mr. Caleb Minnick of your staff, the RSO that CTA has requested be placed on an amended license, on April 26, 2017.

This inspection examined activities conducted under your license as they relate to public health and safety, to confirm compliance with the U.S. Nuclear Regulatory Commission's (NRC) rules and regulations, and with 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 four Severity Level IV violations of NRC requirements occurred. The violation was evaluated in accordance with the NRC Enforcement Policy, which can be found at the NRC's Web site at www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html. The violations involved a failure to request a license amendment before changing radiation safety officers, failure to perform required leak tests, failure to provide recurrent Hazardous Materials Transportation training, and failure to perform required annual radiation protection program audits. The violation is being cited in the Notice of Violation (Notice) because it was identified by the NRC during the inspection.

You are required to respond to this letter and must follow the instructions specified in the enclosed Notice when preparing your response. The guidance in NRC Information Notice 96-28, "Suggested Guidance Relating to Development and Implementation of Corrective Action," may be helpful. You can find the Information Notice on the NRC Web site at <http://www.nrc.gov/reading-rm/doc-collections/gen-comm/info-notices/1996/in96028.html>.

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 or was

achieved needs to be addressed in writing. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter, its enclosure, and your response, will be made available electronically for public inspection in the NRC Public Document Room or in the NRC's Agencywide Document Access and Management System (ADAMS), accessible from the NRC's 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.

If you have any questions concerning this matter, please contact Jason C. Dykert at 817-200-1427 or the undersigned at 817-200-1455.

Sincerely,

/RA/

Vivian H. Campbell, Chief
Materials Licensing and Inspection Branch
Division of Nuclear Materials Safety

Docket No. 030-37887

Enclosure:
Notice of Violation

cc w/enclosure:
Montana Radiation Control Program Director

NOTICE OF VIOLATION

CTA
Livingston, Montana

Docket No.: 030-37887
License No.: 25-29317-01

During an NRC inspection conducted on April 26, 2017, four violations of the U.S. Nuclear Regulatory Commission (NRC) requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. License Condition 12 of NRC Materials License 25-29317-01, Amendment No. 2 dated June 26, 2015, identified a named individual as the radiation safety officer for this license.

Contrary to the above, from August 13, 2015, to April 26, 2017, the individual named as radiation safety officer in License Condition 12 of NRC Materials License 25-29317-01, Amendment No. 2 dated June 26, 2015, was no longer employed by the licensee. Specifically, after the individual named on the license was no longer employed, the licensee assigned another qualified individual to be the radiation safety officer but failed to submit a license amendment request to the NRC so that the qualifications of the individual could be reviewed.

This is a Severity Level IV violation (Section 6.3.d.8)

- B. License Condition 13 A of NRC Materials License 25-29317-01, Amendment No. 2 requires, in part, that sealed sources be tested for leakage and/or contamination at intervals not to exceed the intervals specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under Title 10 of the *Code Federal Regulations* (CFR) Part 32.210.

Contrary to the above, from April 3, 2015 until April 26, 2017, the licensee failed to test sealed sources for leakage and/or contamination at intervals not to exceed the intervals specified in the certificate of registration issued by the NRC under 10 CFR Part 32.210. Specifically, the licensee failed to leak test a Seaman C-300 portable nuclear gauge at least every 6 months as required by the certificate of registration.

This is a Severity Level IV violation (Section 6.7.d.4)

- C. 10 CFR Part 71.5(a) requires that each licensee who transports licensed material outside of the site of usage, as specified in the NRC license, or where transport is on public highways, or who delivers licensed material to a carrier for transport, comply with the applicable requirements of the regulations appropriate to the mode of transport of the Department of Transportation (DOT) in 49 CFR Parts 107, 171 through 180, and 390 through 397, appropriate to the mode of transport.

49 CFR 172.704(a) specifies the elements of hazmat employee training as: (1) general awareness/familiarization training; (2) function-specific training; and (3) relevant training.

49 CFR 172.704(c)(2) requires, in part, that a hazmat employee receive recurrent training at least once every three years.

Enclosure

Contrary to the above, from June 6, 2013 to April 26, 2017, the licensee failed to provide the recurrent training that satisfied the DOT requirements in Subpart H to 49 CFR Part 172 for its hazmat employees at least once every three years. Specifically, employees who transported hazardous class 7 materials had not received recurrent training since June 6, 2013, which on the date of inspection was a period that exceeded the three-year required interval.

This is a Severity Level IV violation (Section 6.3.d.4)

- D. 10 CFR 20.1101(c), requires that the licensee shall periodically (at least annually) review the radiation protection program content and implementation.

Contrary to the above, from August 13, 2015, to April 26, 2017, the licensee failed to periodically (at least annually) review the radiation protection program content and implementation. Specifically, annual audits of the program were not completed after the RSO identified in License Condition 12 of NRC Materials License 25-29317-01, Amendment No. 2 dated June 26, 2015, was no longer employed by the licensee.

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

Pursuant to the provisions of 10 CFR 2.201, CTA is hereby required to submit a written statement or explanation 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).

The reply should be clearly marked as a "Reply to a Notice of Violation; and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level; (2) the corrective steps that have been taken and the results achieved; (3) the corrective steps that will be taken; and (4) the date when full compliance will be achieved. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued requiring information as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

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, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

If you request withholding of such material from public inspection in the NRC Public Document Room or in the NRC's Agencywide Document Access and Management System (ADAMS), 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).

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days of receipt.

Dated this 25th day of May 2017.

NRC SPECIAL INSPECTION REPORT 030-37887/2017-001; AND NOTICE OF VIOLATION -
DATED MAY 25, 2017**DISTRIBUTION:**

Kriss.Kennedy@nrc.gov;
 Scott.Morris@nrc.gov;
 S.Woods@nrc.gov;
 Michele.Burgess@nrc.gov;
 Tomas.Herrera@nrc.gov;

Karla.Fuller@nrc.gov;
 Victor.Dricks@nrc.gov;
 Mark.Shaffer@nrc.gov;
 Binesh.Tharakan@nrc.gov;
 R4DNMS_MLIB;

Linda.Howell@nrc.gov;
 Michael.Vasquez@nrc.gov;
 Bill.Maier@nrc.gov;
 Randy.Erickson@nrc.gov;

ADAMS ACCESSION NUMBER: MI17136A365

<input checked="" type="checkbox"/> SUNSI Review By: JCD		ADAMS <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Publicly Available <input type="checkbox"/> Non-Publicly Available	<input checked="" type="checkbox"/> Non-Sensitive <input type="checkbox"/> Sensitive	Keyword:
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DATE	05/16/17	05/25/17			

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