



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

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

October 20, 2017

Mr. Irvin Stack, RSO
Stack Engineering
120 S. Jefferson P.O. Box 297
St. James, MO 65559

**SUBJECT: NRC ROUTINE INSPECTION REPORT NO. 03035548/2017001(DNMS) AND
NOTICE OF VIOLATION – STACK ENGINEERING**

Dear Mr. Stack:

On August 31, 2017, an inspector from the U.S. Nuclear Regulatory Commission (NRC) conducted a routine inspection at your St. James, Missouri facility, with continued in-office review through September 26, 2017. 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 additional information that was not available during the onsite portion of the inspection. Mr. Luis Nieves of my staff conducted a final exit meeting by telephone with you on September 26, 2017 to discuss the inspection findings. This letter presents the results of the inspection.

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 two 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 website at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The violations concerned the licensee's failure to: (1) use a minimum of two independent physical controls that form tangible barriers to secure portable gauges from unauthorized removal, whenever portable gauges are not under the control and constant surveillance of the licensee, as required by Title 10 of the *Code of Federal Regulations* (CFR) Section 30.34(i); and (2) notify the NRC in writing, within 60 days of occurrence, that no principal activities under the license had been conducted for a period of 24 months, as required by 10 CFR 30.36(d)(3). The violations are cited in the enclosed Notice of Violation (Notice). The NRC is citing the violations in the enclosed Notice because the inspector identified the them.

You are required to respond to this letter and should 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 useful in preparing your response. You can find the Information Notice on the NRC's website at: <http://www.nrc.gov/reading-rm/doc-collections/gen-comm/info-notices/1996/in96028.html>. 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 "Rules of Practice," a copy of this letter, its enclosure, and 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.

Please feel free to contact Mr. Nieves if you have any questions regarding this inspection. Mr. Nieves can be reached at 630-829-9571.

Sincerely,

/RA/

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

Docket No. 030-35548
License No. 24-24708-02

Enclosure:
Notice of Violation

cc w/encl: State of Missouri

Letter to Irvin Stack from Aaron McCraw dated October 20, 2017.

SUBJECT: NRC ROUTINE INSPECTION REPORT NO. 03035548/2017001(DNMS) AND
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OFFICE	RIII-DNMS	E	RIII-DNMS	E	RIII		RIII	
NAME	LNieves:ps		AMcCraw					
DATE	10/19/2017		10/20/2017					

OFFICIAL RECORD COPY

NOTICE OF VIOLATION

Stack Engineering
St. James, Missouri

License No. 24-24708-02
Docket No. 030-35548

During a U.S. Nuclear Regulatory Commission (NRC) inspection conducted on August 31, 2017, with continued in-office review through September 26, 2017, two violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. Title 10 of the *Code of Federal Regulations* (CFR) Section 30.34(i) requires that each portable gauge licensee use a minimum of two independent physical controls that form tangible barriers to secure portable gauges from unauthorized removal, whenever portable gauges are not under the control and constant surveillance of the licensee.

Contrary to the above, on August 31, 2017, Stack Engineering, a portable gauge licensee, failed to use a minimum of two independent physical controls that form tangible barriers to secure portable gauges from unauthorized removal when the portable gauge was not under the control and constant surveillance of the licensee. Specifically, the licensee stored the gauge with one barrier in place, a cabinet with only one lock.

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

- B. Title 10 CFR 30.36(d)(3) requires, in part, that licensees provide notification to the NRC in writing within 60 days of any of the following occurrences, including no principal activities under the license have been conducted for a period of 24 months.

Contrary to the above, as of October 7, 2008, the licensee failed to notify the NRC within 60 days after no principal activities were conducted under the license for a period of 24 months. Specifically, since August 8, 2006, the licensee had not used its portable moisture/density gauge.

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

Pursuant to the provisions of 10 CFR 2.201, Stack Engineering 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 III, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include: (1) the reason for the violations, or, if contested, the basis for disputing the violations or their 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 was or will be achieved. Your response may reference or include previously docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued 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, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

Enclosure

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, the response should not include any personal privacy, proprietary, or safeguards information so that it can be made publicly available 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 20th day of October, 2017.