



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION III  
2443 WARRENVILLE ROAD, SUITE 210  
LISLE, ILLINOIS 60532-4352

February 7, 2018

Mr. David J. Kuipers, President  
OMM Engineering, Inc.  
4665 44th Street S.E., Suite A-100  
Grand Rapids, MI 49512

SUBJECT: NRC SPECIAL INSPECTION REPORT NO. 03030556/2017001(DNMS) AND  
NOTICE OF VIOLATION – OMM ENGINEERING, INC.

Dear Mr. Kuipers:

On December 11, 2017, an inspector from the U.S. Nuclear Regulatory Commission (NRC) conducted a special inspection at your new office in Grand Rapids, Michigan. 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. Mr. Ryan Craffey of my staff conducted a final exit meeting by telephone with Mr. Douglas Hughes of your staff on January 22, 2018 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 one 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 concerned the failure to confine the possession and use of byproduct material to the locations authorized by your NRC license, as required by Title 10 of the *Code of Federal Regulations* (CFR) 30.34(c). 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 a misunderstanding of regulatory requirements. As corrective actions to restore compliance and to prevent recurrence, on October 11, 2017 you provided notification to the NRC that you moved the storage location of your nuclear density gauges, and during the inspection on December 11, 2017 your staff discussed the requirements regarding authorized locations of use with the inspector.

The NRC recognizes that the actions that led to the violation were in response to the identification of a security vulnerability that was beyond your control at the office on East Paris Street. Although the vulnerability did not appear to result in a violation of NRC

security requirements at that facility, NRC appreciates the concern your Radiation Safety Officer demonstrated with respect to the security of licensed material. Nonetheless, the NRC requires licensees to obtain prior written authorization from the NRC before implementing any changes to the terms and conditions of a license. Failure to do so is of significant concern to the NRC, because it impacts the NRC's ability to evaluate and assess the radiological and programmatic significance of the change prior to implementation, and could result in escalated enforcement action. However, in recognition that there was little to no radiological or programmatic significance of the unauthorized relocation of the gauge and that all other safety and security requirements were met, this violation is characterized as a Severity Level IV in accordance with the NRC Enforcement Policy.

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 or 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 10 CFR 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. Craffey if you have any questions regarding this inspection. Mr. Craffey can be reached at 630-829-9655.

Sincerely,

*/RA/*

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

Docket No. 030-30556  
License No. 21-25914-01

Enclosure:  
Notice of Violation

cc w/encl: Douglas Hughes, Radiation  
Safety Officer  
State of Michigan

Letter to David J. Kuipers from Aaron T. McCraw dated February 7, 2018

SUBJECT: NRC SPECIAL INSPECTION REPORT NO. 03030556/2017001(DNMS) AND  
NOTICE OF VIOLATION – OMM ENGINEERING, INC.

DISTRIBUTION w/encl:

Steven West  
Darrell Roberts  
John Giessner  
Christine Lipa  
Rick Skokowski  
Kenneth Lambert  
Paul Pelke  
MIB Inspectors

**ADAMS Accession Number: ML18038B065**

OFFICE	RIII DNMS	C	RIII DNMS	C				
NAME	RCraffey:ps		AMcCraw					
DATE	02/05/2018		02/07/2018					

OFFICIAL RECORD COPY

## NOTICE OF VIOLATION

OMM Engineering, Inc.  
Grand Rapids, Michigan

License No. 21-25914-01  
Docket No. 030-30556

During a U.S. Nuclear Regulatory Commission (NRC) inspection conducted on December 11, 2017, with continued in-office review through January 22, 2018, one violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

Title 10 of the *Code of Federal Regulations* (CFR) 30.34(c) requires that each licensee confine his possession and use of byproduct materials to the locations and purposes authorized by the license.

Condition 10 of Amendment No. 07 (corrected copy) to License No. 21-25914-01 requires that licensed material be used or stored at the licensee's facilities located at 1680 East Paris, S.E., Grand Rapids, Michigan, and may be used at temporary job sites of the licensee anywhere in the United States where the U.S. Nuclear Regulatory Commission maintains jurisdiction for regulating the use of licensed material.

Contrary to the above, between the first week of October 2017 and December 11, 2017, OMM Engineering, Inc. possessed two portable moisture density gauges, each containing 9 millicuries of cesium-137 and 44 millicuries of americium-241, at its new office located at 4665 44<sup>th</sup> Street, S.E., Grand Rapids, Michigan, a location not authorized by 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 the letter transmitting this Notice of Violation (Notice). 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, IR 03030556/2017001(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 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.

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.

Enclosure

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

Dated this 7<sup>th</sup> day of February 2018.