

SAFETY EVALUATION REPORT
TRANSFER OF CONTROL FOR NRC BYPRODUCT MATERIALS LICENSE NUMBER -
45-25467-01, GEOCONCEPTS ENGINEERING, INC.

DATE: February 6, 2018

DOCKET NO.: 03035002

LICENSE NO.: 45-25467-01

LICENSEE: GeoConcepts Engineering, Inc.
19955 Highland Vista Drive, Suite 170, Ashburn Virginia

TECHNICAL REVIEWER: Leonardo Wardrobe

SUMMARY AND CONCLUSIONS

GeoConcepts Engineering, Inc. holds a byproduct material license issued by the U.S. Nuclear Regulatory Commission (NRC). Under NRC Materials License 45-25467-01, GeoConcepts Engineering, Inc. is authorized to possess and use byproduct material for the purposes of measuring the physical properties of materials.

By letter dated November 20, 2017, Agencywide Documents Access and Management System (ADAMS) Accession Number ML18003A281, Terracon Consultants, Inc. notified the NRC about the direct transfer of control of the above license to Terracon, Consultants Inc. GeoConcepts Engineering, Inc. transferred all of its operations at Ashburn, Virginia, including all of the activities requiring the material license, to Terracon Consultants, Inc. on October 31, 2017. All assets and facilities associated with licensed operations were transferred to Terracon Consultants, Inc. pursuant to an asset purchase agreement. Thus, this was a post-hoc notification of a transfer of control of the license. Terracon Consultants, Inc. and GeoConcepts Engineering, Inc. did not comply with NRC regulations as they did not receive the NRC's prior written approval for this transfer of control as required by 10 CFR 30.34(b) and Section 184 of the Atomic Energy Act of 1954, as amended.

The notification was reviewed by NRC staff for a direct transfer of control of a 10 CFR Part 30 license using the guidance in NUREG-1556, Volume 15, Revision 1, "Consolidated Guidance About Materials Licenses - Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses," dated June 2016. The NRC staff finds that the information submitted by Terracon Consultants, Inc. sufficiently describes and documents the transaction and commitments made by GeoConcepts Engineering, Inc. and Terracon Consultants, Inc.

Approval of the license transfer will require a license amendment to reflect the change in the licensee's name.

As required by 10 CFR 30.34 and section 184 of the Atomic Energy Act of 1954, as amended (the Act), NRC staff has reviewed the notification and finds that the transfer of control is in accordance with the Act in all respects except that the transferor and transferee did not obtain the NRC's prior written approval. The staff finds that Terracon Consultants, Inc. will be qualified to use byproduct material for the purpose requested, and will have the equipment, facilities, and

procedures needed to protect public health and safety, and promote the common defense and security.

SAFETY AND SECURITY REVIEW

According to the data obtained from the NRC's Web Based Licensing (WBL), GeoConcepts Engineering, Inc. has been an NRC licensee since March 9, 1999. The NRC conducted a main office inspection of GeoConcepts Engineering, Inc. on December 1, 2016, for NRC Materials License No. 45-25467-01 and one violation was identified during the inspection. The violation was issued for a Radiation Safety Officer's failure to review the reports of personnel exposure in a timely manner in accordance with License Condition 19 of NRC Materials License No. 45-25467-01 and Item 10, "Radiation Safety Program" of the application dated February 10, 2009. GeoConcepts Engineering, Inc. committed to reviewing personnel exposure records with its employees on a quarterly basis and investigating and documenting any unusual spikes in personnel exposure.

The commitments made by GeoConcepts Engineering, Inc. and Terracon Consultants, Inc. states that under the transaction they did not change:

- A. the radiation safety officer listed on the NRC license;
- B. the personnel involved in licensed activities;
- C. the locations, facilities, and equipment authorized in the NRC license;
- D. the radiation safety program authorized in the NRC license; or
- E. the maintenance of required surveillance records and decommissioning records.

The license was transferred to Terracon Consultants, Inc. and the name on the licensee will be GeoConcepts Engineering, Inc., a Terracon Company. The change in ownership occurred on October 31, 2017. A pre-licensing visit was not performed because Terracon Consultants, Inc. holds NRC Materials License 15-27070-01. For security purposes, Terracon Consultants, Inc. is considered to be a known entity following the guidance provided by the NRC's Office of Nuclear Material Safety and Safeguards (NMSS) "Checklist to provide a basis for confidence that radioactive materials will be used as specified on the license," September 3, 2008 revision. The purpose of this aspect of the review is for the NRC to obtain reasonable assurance from a NRC license transferee that the licensed material will be used for its intended purpose and not for malevolent use. Based on the review, the NRC has confirmed that there is reasonable assurance that Terracon Consultants, Inc. will use the licensed material for its intended purpose and not for malevolent use.

GeoConcepts Engineering, Inc. is not required to have decommissioning financial assurance based on the types and amount of material authorized in NRC Materials License No. 45-25467-01.

REGULATORY FRAMEWORK

Section 184 of the Atomic Energy Act of 1954, as amended, prohibits the transfer of control of any license unless the Commission finds that the transfer is in accordance with the Act and consents to the transfer in writing.

GeoConcepts Engineering, Inc. NRC Materials License No. 45-25467-01, was issued under 10 CFR Part 30, "Rules of General Applicability to Domestic Licensing of Byproduct Material."

10 CFR 30.34(b) states: "No license issued or granted pursuant to the regulations in this part and parts 31 through 36, and 39 nor any right under a license shall be transferred, assigned or in any manner disposed of, either voluntarily or involuntarily, directly or indirectly, through transfer of control of any license to any person, unless the Commission shall, after securing full information, find that the transfer is in accordance with the provisions of the Act and shall give its consent in writing."

As previously indicated, the staff evaluation is based on guidance in NUREG-1556, Volume 15, Revision 1. The central issue when determining whether a license is transferred is whether the authority over the license has changed. Terracon Consultant, Inc.'s notification describes a direct transfer of control of the NRC license held by GeoConcepts Engineering, Inc., as a result of its sale to Terracon Consultants, Inc. Following the sale, Terracon Consultants, Inc. obtained control over the licensed materials and activities, and, as such, the transfer requires the NRC's consent.

DESCRIPTION OF TRANSACTION

The transaction is described in ADAMS accession number ML18003A281. After completion of the sale, Terracon Consultants, Inc. gained control of all licensed activities under NRC Materials License No. 45-25467-01. As discussed above, with the exception of the timing of the notification, the NRC staff finds that the notification adequately provides a complete and clear description of the transaction, and is consistent with the guidance provided in section 5 of NUREG-1556, Volume 15, Revision 1.

TRANSFEREE'S COMMITMENT TO ABIDE BY THE TRANSFEROR'S COMMITMENTS

The NRC staff finds that the information submitted by Terracon Consultants, Inc. sufficiently describes and documents the commitments and is consistent with the guidance in NUREG-1556, Volume 15, Revision 1.

ENVIRONMENTAL REVIEW

An environmental assessment for this action is not required since this action is categorically excluded under 10 CFR 51.22(c)(21).

CONCLUSION

The NRC staff has reviewed the notification submitted by Terracon Consultants, Inc. with regard to a direct transfer of control of NRC Materials License No. 45-25467-01 pursuant to 10 CFR 30.34(b), and consents to the direct transfer of control.

The submitted information sufficiently describes the transaction; documents the licensee's commitments, and demonstrates that personnel have the experience and training to properly implement and maintain the license and that they will maintain the existing records. The submitted information also demonstrates that the licensee will abide by all existing commitments in the license, consistent with the guidance in NUREG-1556, Volume 15, Rev 1.

Therefore, the staff concludes that the transfer of control would not alter the previous findings, made under 10 CFR Part 30, that licensed operations will not be inimical to the common defense and security, or to the health and safety of the public.