



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION III
2443 WARRENVILLE ROAD, SUITE 210
LISLE, ILLINOIS 60532-4352

July 2, 2018

EA-18-054

Mr. John W. Anderson
General Manager
Quad City Testing Laboratory, Inc.
21112 Scott Park Road
Davenport, IA 52807-9330

SUBJECT: NRC RECIPROCITY INSPECTION REPORT NO. 15000012/2018001(DNMS) –
QUAD CITY TESTING LABORATORY, INC.

Dear Mr. Anderson:

On April 9, 2018, two inspectors from the U.S. Nuclear Regulatory Commission (NRC) conducted an unannounced, reciprocity inspection at your jobsite at the Edward Hines Jr. Veterans Administration Hospital (“Hines VA”) in Hines, Illinois, with continued in-office review through June 12, 2018. The purpose of the inspection was to review activities performed under your NRC general license, which was granted under Title 10 of the *Code of Federal Regulations* (CFR) 150.20, “Recognition of Agreement State Licenses,” to ensure that activities were being performed in accordance with NRC requirements. The purpose of the in-office review was to review information that was not immediately available at the time of the onsite inspection and to assess the adequacy of the security measures for your materials. The enclosed inspection report (Enclosure 1) and its non-public Security Addendum (Enclosure 2) present 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 general 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, one apparent violation of NRC requirements was identified and is being considered for escalated enforcement action 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 apparent violation was of a security-related nature. Details of the apparent violation, as well as the corrective actions that have since been taken to restore compliance with regulatory requirements, are discussed in Enclosure 2.

Enclosure 2 contains Sensitive
Unclassified Non-Safeguards Information.
When separated from Enclosure 2, this
transmittal letter is decontrolled.

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Because the NRC has not made a final determination in this matter, the NRC is not issuing a Notice of Violation for this inspection finding at this time. Mr. Dennis O'Dowd and Mr. Jason Draper of my staff discussed the circumstances surrounding this apparent violation, the significance of the issue, and the need for lasting and effective corrective actions with Mr. Stephen L. Fay of your staff on June 12, 2018.

Before the NRC makes its enforcement decision, we are providing you an opportunity to either: (1) respond in writing to the apparent violation addressed in this inspection report and its security addendum, or (2) request a Predecisional Enforcement Conference (PEC). **Please contact Aaron T. McCraw at 630-829-9650 or aaron.mccraw@nrc.gov within 10 days of the date of this letter to notify the NRC of your intended response.**

If you choose to provide a written response, it should be clearly marked as "Response to the Apparent Violation in Inspection Report No. 15000012/2018001(DNMS); EA-18-054," and should include, for the apparent violation: (1) the reason for the apparent violation, or, if contested, the basis for disputing the apparent violation; (2) the corrective steps that have been taken and the results achieved; (3) the corrective steps that will be taken to avoid further violations; and (4) the date when full compliance was or will be achieved. In presenting your corrective actions, you should be aware that the promptness and comprehensiveness of your actions will be considered in assessing any civil penalty for the apparent violation. 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>. In addition, if you choose to provide a written response, please mark your entire response, "Security-Related Information – Withhold from Public Disclosure under 10 CFR 2.390." In accordance with 10 CFR 2.390(b)(ii), the NRC is waiving the affidavit requirements for your response to this letter. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information. Your response may reference or include previously docketed correspondence, if the correspondence adequately addresses the required response. Your response should be sent to the NRC's Document Control Center, with a copy mailed to the NRC Region III Office, 2443 Warrenville Road, Suite 210, Lisle, Illinois 60532, within 30 days of the date of this letter. If an adequate response is not received within the time specified or an extension of time has not been granted by the NRC, the NRC will proceed with its enforcement decision or schedule a PEC.

If you choose to request a PEC, it will afford you the opportunity to provide your perspective on the apparent violation and any other information that you believe the NRC should take into consideration before making an enforcement decision. The topics discussed during the PEC may include the following: information to determine whether a violation occurred, information to determine the significance of a violation, information related to the identification of a violation, and information related to any corrective actions taken or planned to be taken. If a PEC is held, the NRC will issue a press release to announce the time and date of the PEC. The PEC will be closed to public observation due to the security-related nature of the finding.

Because your facility has not been the subject of escalated enforcement action within the last two inspections, a civil penalty may not be warranted in accordance with Section 2.3.4 of the Enforcement Policy. In addition, based upon NRC's understanding of the facts and your corrective actions, it may not be necessary to conduct a PEC in order to enable the NRC to

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make a final enforcement decision. Our final decision will be based on your confirming on the license docket that the corrective actions previously described to the staff have been or are being taken.

Please be advised that the number and characterization of the apparent violation described in the enclosed inspection report may change as a result of further NRC review. You will be advised by separate correspondence of the results of our deliberations on this matter.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and Enclosure 1 will be available electronically for public inspection in the NRC's Public Document Room or from the NRC's Agency wide Documents Access Management System (ADAMS), accessible from the NRC's website at <http://www.nrc.gov/reading-rm/adams.html>. However, Enclosure 2 and your written response, if you choose to provide one, will not be made available electronically for public inspection because of the security-related information that is or would be contained in each. Enclosure 2 to this letter must be protected from unauthorized disclosure.

Please feel free to contact either Mr. O'Dowd or Mr. Draper if you have any questions regarding this inspection. Mr. O'Dowd can be reached at 630-829-9573, and Mr. Draper at 630-829-9839.

Sincerely,

/RA Christine Lipa Acting for/

John B. Giessner, Director
Division of Nuclear Materials Safety

Docket No. 150-00012
Illinois License No. IL-01089-01

Enclosures:

1. IR 15000012/2018001(DNMS)
(publicly available)
2. Security Addendum (non-public)

cc w/encls: Mr. Stephen Fay, Manager/
Radiation Safety Officer
cc w/encl 1: State of Illinois

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Letter to Mr. John W. Anderson from John B. Giessner, dated July 2, 2018

SUBJECT: NRC RECIPROCITY INSPECTION REPORT NO. 15000012/2018001(DNMS) –
QUAD CITY TESTING LABORATORY, INC.

DISTRIBUTION w/encl:

Steven West
Darrell Roberts
Christine Lipa
Richard Skokowski
Kenneth Lambert
Paul Pelke
MIB Inspectors

ADAMS Accession Number: ML18183A155

OFFICE	RIII-DNMS	RIII-DNMS	RIII-EICS	RIII-DNMS
NAME	DO'Dowd/JDraper:cl	AMcCraw	RSkokowski	JGiessner CLipa for
DATE	6/27/2018	6/28/2018	6/28/2018	7/2/2018

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**U.S. Nuclear Regulatory Commission
Region III**

Docket No.: 150-00012

License No.: IL-01089-01

Report No.: 15000012/2018001(DNMS)

EA No.: EA-18-054

Licensee: Quad City Testing Laboratories, Inc.

Facility: Edward Hines, Jr. Veterans Administration Hospital
5000 5th Ave
Hines, IL 60141

Inspection Dates: April 9, 2018, with continued in-office review
through June 12, 2018

Exit Meeting Date: June 12, 2018

Inspectors: Dennis O'Dowd, Health Physicist
Jason Draper, Health Physicist

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

Enclosure 2 contains Sensitive
Unclassified Non-Safeguards Information.
When separated from Enclosure2, this
transmittal letter is decontrolled.

Enclosure 1

EXECUTIVE SUMMARY

**Quad City Testing Laboratories, Inc.
NRC Inspection Report 15000012/2018001(DNMS)**

This was an unannounced inspection of licensed activities performed by Quad City Testing Laboratory, Inc. (“Quad City Testing”) at a temporary jobsite within U.S. Nuclear Regulatory Commission (NRC) jurisdiction, under an NRC general license, which was granted under Title 10 of the *Code of Federal Regulations* (CFR) 150.20, “Recognition of Agreement State Licenses,” involving the use of radiographic exposure devices.

On April 9, 2018, the two NRC inspectors observed two licensee employees performing radiographic operations at the licensee’s temporary jobsite at the Edward Hines Jr. Veterans Administration Hospital (“Hines VA”) in Hines, Illinois. During the inspection, the inspectors identified an apparent violation concerning security requirements, the details of which are described in the Security Addendum to this report.

REPORT DETAILS

1 Program Overview and Inspection History

Quad City Testing Laboratory, Inc., (“Quad City Testing”) of Davenport, Iowa, possessed a State of Illinois Radioactive Materials License No. IL-01089-01 (Amendment No. 19, with an expiration date of January 31, 2021) authorizing company personnel to use radioactive material for industrial radiography at its facility located in Lombard, Illinois, and at temporary jobsites of the licensee in areas not under exclusive Federal jurisdiction throughout the State of Illinois. Quad City Testing was authorized to work in NRC jurisdiction under Part 150.20 (reciprocity), with its initial notification for conducting licensed activities in NRC jurisdiction under reciprocity submitted in an NRC Form 241, “Report of Proposed Activities in Non-Agreement States, Areas of Exclusive Federal Jurisdiction, or Offshore Waters,” dated February 6, 2018. Quad City Testing submitted a reciprocity change notification in an NRC Form 241 dated April 4, 2018, in which the licensee notified the NRC of licensed activities to be conducted under reciprocity on April 9, 2018, at the Edward Hines Jr. Veterans Administration Hospital (“Hines VA”), located at 5000 S. 5th Avenue, Hines, Illinois. Hines VA is a federal facility, and use of radioactive material at that location is therefore subject to NRC’s regulatory authority.

The NRC last conducted an unannounced, reciprocity inspection at temporary jobsite of this licensee at the Hines VA site, on June 27, 2017. No violations of NRC requirements were identified as a result of this inspection.

The NRC previously conducted an unannounced, reciprocity inspection at a temporary jobsite of the licensee in Hammond, Indiana, on September 10, 2014. No violations of NRC requirements were identified as a result of this inspection.

2 Radiation Safety

2.1 Inspection Scope

On April 9, 2018, two NRC inspectors conducted a field inspection of the licensee at Hines VA. The inspection consisted of interviews with licensee staff, direct observation of licensed activities, review of documents available at the site, and independent measurements by the inspectors.

2.2 Observations and Findings

The inspectors observed the radiography crew, consisting of two Level II radiographers, one performing the duties of the radiographer and the other acting as the radiographer’s assistant, establish and maintain boundaries to prevent overexposures to the public while exposing the source from the shielded position. The inspectors verified that there were no radiation fields outside of the established boundaries that could result in an exposure of greater than two millirem in any one hour.

The inspectors observed both members of the crew monitor the controlled area using properly calibrated, operable survey meters, while wearing the required, calibrated dosimetry. Both the radiographer and the radiographer assistant were each wearing an

operating alarm ratemeter, a direct reading dosimeter, and a personal dosimeter. The radiographers demonstrated an adequate knowledge of radiation safety principles and emergency procedures, as determined through interviews with the inspectors. A visual inspection of the radiographic exposure device revealed that it contained the required labelling. The inspectors evaluated the licensee's methods of transporting the radiographic exposure device to ensure that such transportation was in accordance with U.S. Department of Transportation requirements, including adequate blocking and bracing. The inspectors reviewed a selection of available records, including shipping papers, with no issues noted.

During a review of the security of the radiographic exposure device, the inspectors identified an apparent violation of a security-related requirement. The details of which are described in the Security Addendum to this report.

2.3 Conclusions

The inspectors identified an apparent violation of a security-related requirement.

The inspectors identified no other violations as a result of this inspection.

3 **Exit Meeting Summary**

The NRC inspectors presented preliminary inspection findings following the onsite inspection on April 9, 2018, and performed a final, telephonic exit meeting on June 12, 2018. The licensee did not identify any documents or processes reviewed by the inspectors as proprietary. The licensee acknowledged the findings presented.

LIST OF PERSONNEL CONTACTED

Stephen L. Fay, Manager and Radiation Safety Officer (RSO)

Attended exit meeting on June 12, 2018.

INSPECTION PROCEDURE USED

87121: Industrial Radiography Programs