



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION IV  
1600 EAST LAMAR BOULEVARD  
ARLINGTON, TEXAS 76011-4511

August 23, 2019

Mr. Michael J. Welch, P.E.  
C&H Engineering and Surveying, Inc.  
1091 Stoneridge Drive  
Bozeman, Montana 59715

SUBJECT: NRC ROUTINE INSPECTION REPORT 030-38578/2019-001 AND NOTICE OF VIOLATION

Dear Mr. Welch:

This letter refers to the routine, unannounced inspection conducted on June 10–11, 2019, at your facility in Bozeman, Montana, with an in-office review until August 7, 2019. The inspection was an examination of 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's) rules, regulations, and with the conditions of your license. Within these areas, the inspection consisted of a selected examination of procedures and representative records, observations of licensed activities, and interviews with personnel. On June 11, 2019, at the conclusion of the onsite portion of the inspection, the inspector discussed the preliminary inspection findings with Mr. Schaible of your staff. A final exit briefing was conducted with you telephonically on August 7, 2019.

Based on the results of this inspection, the NRC has determined that two Severity Level IV violations of NRC requirements had occurred. The violations were evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's Web site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The violations involved the failure to: (1) ensure hazmat employees receive recurrent hazmat training at least every three years in accordance with Title 49 of the *Code of Federal Regulations* (49 CFR) Part 172 Subpart H and (2) transport radioactive material with shipping papers as required by Title 49 CFR Part 177 Subpart A. These violations are being cited in the enclosed Notice of Violation (Notice) because the NRC identified the violations during our inspection.

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 helpful. You can find the Information Notice on the NRC website at: <http://pbadupws.nrc.gov/docs/ML0612/ML061240509.pdf>. The NRC review of your response to the Notice will also 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 from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC 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.

Should you have any questions regarding this letter or the enclosed Notice, please contact Allyce B. Bolger at 817-200-1197 or the undersigned at 817-200-1455.

Sincerely,

/RA/

Patricia A. Silva, Chief  
Materials Inspection Branch  
Division of Nuclear Materials Safety

Docket: 030-38578  
License: 25-35009-01

Enclosure:  
Notice of Violation (Notice)

cc:  
Carter S. Anderson, Administrator  
Montana Department of Public Health &  
Human Services

NRC ROUTINE INSPECTION REPORT 030-38578/2019-001 AND NOTICE OF VIOLATION  
DATED August 23, 2019

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ADAMS:

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Keyword:

By: ABB

☒ Yes ☐ No☒ Publicly Available☐ Sensitive

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## NOTICE OF VIOLATION

C&H Engineering and Surveying, Inc.  
Bozeman, Montana

License No.: 25-35009-01  
Docket No.: 030-38578

During an NRC inspection conducted on June 10–11, 2019, two violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. 10 CFR 71.5(a) requires that each licensee who transports licensed material outside 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, shall comply with the applicable requirements of the Department of Transportation regulations in 49 CFR Parts 107, 171 through 180, and 390 through 397, appropriate to the mode of transport.

49 CFR 177.817(a) requires, in part, that a person may not transport a hazardous material by highway unless that person has received a shipping paper prepared in accordance with 49 CFR Part 172.

Contrary to the above, on June 10, 2019, the licensee failed to receive shipping papers prepared in accordance with 49 CFR Part 172 when transporting a hazardous material by highway. Specifically, on June 10, 2019, an employee transported Class 7 (radioactive) hazardous material by highway without the required shipping papers.

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

- B. 10 CFR 71.5(a) requires that each licensee who transports licensed material outside 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, shall comply with the applicable requirements of the DOT regulations in 49 CFR parts 107, 171 through 180, and 390 through 397, appropriate to the mode of transport.

49 CFR 172.704(c)(2) requires, in part, that a hazmat employee must receive the training required by 49 CFR 172 Subpart H at least once every three years.

Contrary to the above, on at least one occurrence between January 20, 2018 and June 10, 2019, the licensee failed to provide the training required by 49 CFR 172 Subpart H to a hazmat employee. Specifically, a hazmat employee who transported Class 7 (radioactive) hazardous material on public highways on June 10, 2019, last received hazmat training on January 20, 2015, a period which exceeded the three-year interval.

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

Pursuant to the provisions of 10 CFR 2.201, C&H Engineering and Surveying, Inc. 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).

This reply should be clearly marked as a "Reply to a Notice of Violation" and should include: (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. Your response may reference or include previous 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 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.

Your response will be made available electronically for public inspection in the NRC Public Document Room or in the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC 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 personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, 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 2 working days of receipt.

Dated this 23rd day of August 2019.