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May 22, 2020

TGEGKXGF" 2714414242

Division of Nuclear Materials Safety U.S. Nuclear Regulatory Commission, Region IV 1600 East Lamar Blvd. Arlington, TX 76011-4511

**SUBJECT:** Application for Approval of Transfer of Control

Or Concurrence of No Change of Control

NRC Materials License No. 04-35210-01 (Docket No. 030-38806)

Pursuant to 10 C.F.R. § 30.34(b), Atlas Engineering West, Inc. ("Atlas West")<sup>1</sup> and its parent company, Atlas Technical Consultants, LLC ("Atlas") (together the "Applicants"), hereby request written approval by the U.S. Nuclear Regulatory Commission ("NRC"), to the extent necessary, for the transfer of NRC License No. 04-35210-01 (the "License") from Atlas West to its parent company Atlas. The transfer of control would result from a planned internal reorganization of Atlas, with no impact on licensed activities, and with the same ultimate owners in place both before and after the reorganization.

Due to pressing business reasons, the Applicants request approval of this application or concurrence that there is no change of control by <u>June 29, 2020</u>, or sooner if possible, and prompt posting of this application to the NRC website for the 30-day comment period.

Atlas provides professional testing, inspection, engineering and consulting services from more than 100 locations nationwide. It delivers solutions to both public and private sector clients in the transportation, commercial, water, government, education and industrial markets. Atlas is ultimately owned by public and private investors.<sup>2</sup> The Licensee, Atlas West, is a wholly-owned subsidiary of Atlas that operates in the Western United States.

Atlas is reorganizing its operations to bring certain activities performed by its subsidiaries, including Atlas West, directly into Atlas. Under the planned internal reorganization, the License and related assets and activities of Atlas West would transfer to Atlas on the date of reorganization. Attachment 1 provides the license transfer application, which contains more information about the internal reorganization. Attachment 2 presents a simplified pre- and post-reorganization organizational chart.

However, post-reorganization the day-to-day operations under the License will remain unchanged. Atlas will conduct operations under the License at the same location, using the same materials, facilities, procedures, and personnel as before, including the same Radiation Safety Officer. As the parent company of Atlas West, Atlas effectively controls the License today, and it will continue to control the License post-reorganization.

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<sup>&</sup>lt;sup>1</sup> The current name on the License is SCST, LLC. A name change amendment was filed with the NRC on April 30, 2020 to change the name of SCST, LLC to Atlas Engineering West, Inc. (Accession No. ML20125A163). Although the name change has not completed processing with the California Secretary of State, for simplicity we refer to the Licensee as "Atlas Engineering West, Inc."

<sup>&</sup>lt;sup>2</sup> Shares of Atlas Technical Consultants, Inc. (a parent company of Atlas) are traded on NASDAQ stock exchange under the ticker ATCX. Atlas is also partly owned by the private equity fund Bernhard Capital Partners Management LP. Atlas' ultimate ownership has already been evaluated by the NRC in past transfer of control filings (*See*, *e.g.*, Accession No. ML19233A016).

The only apparent change will be that following the reorganization, the new name of the Licensee will be "Atlas Technical Consultants, LLC." Atlas will promptly notify the NRC upon the conclusion of the reorganization so that an amended License can be issued with the updated name.

Atlas is a "known entity" to the NRC. Its subsidiaries hold a number of NRC and Agreement State radioactive materials licenses. Subsidiaries of Atlas include Materials Testing & Inspections, LLC (License No. 11-27504-01; Docket No. 030-33699) and PAVETEX Engineering, LLC (dba PAVETEX) (License No. 42-29413-01; Docket No. 030-38421). Moreover, here Atlas is already the parent company of Atlas West, and thus already controls the License.

For business and logistical reasons, the transfer of the License needs to occur at the start of a fiscal quarter in order to not incur additional costs and administrative challenges. To enable a transfer on July 1, 2020 (start of the third fiscal quarter), the Applicants request approval of this application by June 29, 2020, or sooner if possible. The Applicants further request that the NRC promptly post this application to its website for the 30-day comment period. Should the NRC determine that the planned internal reorganization does not constitute a license transfer, please promptly let us know so that we can implement the reorganization sooner.

If you have any questions or comments pertaining to this transaction, please contact Atlas' counsel for nuclear regulatory matters, Amy Roma, at Hogan Lovells US LLP (202-637-6831/amy.roma@hoganlovells.com).

Enclosures: Attachment 1, License Transfer Application

Attachment 2, Simplified Organizational Chart Describing the Reorganization

cc: Amy Roma, Hogan Lovells US LLP

Licensee Radiation Safety Officer NRC Document Control Desk I declare under penalty of perjury under the laws of the United States of America that to the best of my knowledge the information contained in the license transfer application pertaining to Atlas Technical Consultants, LLC is true and correct.

Executed on May 22, 2020

L. Joe Boyer

Chief Executive Officer

Atlas Technical Consultants, LLC

13215 Bee Cave Parkway Building B, Suite 230

Austin, TX 78738

I declare under penalty of perjury under the laws of the United States of America that to the best of my knowledge the information contained in the license transfer application pertaining to Atlas Engineering West, Inc. is true and correct.

Executed on May 22, 2020

John Kirschbaum President/COO

Atlas Engineering West, Inc.

6280 Riverdale Street

San Diego, CA 92120

# **Attachment 1**

**License Transfer Application** 

This information is submitted consistent with Chapter 5 (Change of Control) and Appendix E (Information Needed for Transfer of Control Application) of NUREG-1556, Vol. 15, Rev. 1, Consolidated Guidance About Materials Licenses: Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses.

1. Describe any planned changes in the organization, including but not limited to, transfer of stocks or assets and mergers, change in members on Board of Directors, etc. Provide the new licensee name, mailing address, and contact information, including phone numbers. Clearly identify when the amendment request is due to a name change only.

Atlas Engineering West, Inc. ("Atlas West") holds NRC License No. 04-35210-01 (the "License"). Atlas West is owned by Atlas Technical Consultants, LLC ("Atlas").

Atlas is internally reorganizing its operations to bring certain activities performed by its subsidiaries, including Atlas West, directly into Atlas. Under the planned reorganization, the License and related assets and activities of Atlas West would transfer to Atlas on the date of reorganization. Attachment 2 presents a simplified pre- and post-reorganization organizational chart. As this is an internal reorganization, the same ultimate owners in place before the reorganization will remain in place after the reorganization.

Post-reorganization the day-to-day operations under the License will remain unchanged. Atlas will conduct operations under the License at the same location, using the same materials, facilities, procedures, and personnel as before, including the same Radiation Safety Officer. As the parent company of Atlas West, Atlas effectively controls the License today, and it will continue to control the License post-reorganization.

The only apparent change will that be following the reorganization, the new name of the Licensee will be "Atlas Technical Consultants, LLC." Atlas will promptly notify the NRC upon the conclusion of the reorganization so that an amended License can be issued with the updated name.

The changes described above are the only changes expected from this transfer.

2. Describe any changes in personnel or duties that relate to the licensed programs. Include training and experience for new personnel and any changes in the training program.

There are no planned changes in personnel or duties that relate to the licensed programs.

3. Describe any changes in the location, facilities, equipment, radiation safety programs, use, possession, waste management, or other procedures that relate to the licensed program.

There are no such changes planned in connection with the transfer.

4. Describe the status of the licensee's facilities, equipment, and radiation safety program, including any known contamination and whether decontamination will occur prior to transfer. Include the status of calibrations, leak tests, area surveys, wipe tests, training, quality control, and related records.

The status of the Licensee's NRC-regulated equipment and radiation safety programs will not change in connection with the transfer. There is no known contamination. All calibrations, leak tests, area surveys, wipe tests, training, quality control, and related records are current.

5. If current decommissioning funding plans (DFP) will be changed as a result of the transfer, the revised DFP should be submitted. If other financial assurance documents will be changed as a result of the transfer, confirm that all financial assurance instruments associated with the license will be held in the transferee's name before the license is transferred, and as required by 10 CFR 30.35(f), the licensee must, within 30 days, submit financial instruments reflecting such changes.

DFP or financial assurance instruments are not required under the License.

6. Confirm that all records concerning the safe and effective decommissioning of the facility will be transferred to the transferee or to NRC, as appropriate. These records include documentation of surveys of ambient radiation levels and fixed and/or removable contamination, including methods and sensitivity.

The Applicants confirm that such records will remain with the new Licensee, that they are current, and that they will be current at the time of the transfer.

7. Confirm that both transferor and transferee agree to transferring control of the licensed material and activity, and the conditions of transfer, and that the transferee has been made aware of any open inspection items and its responsibility for possible resulting enforcement actions.

The Applicants confirm that they have both agreed to the change in control over the License. There are no open inspection items pertaining to the License.

8. Confirm that the transferee will abide by all constraints, conditions, requirements, representations, and commitments of the transferor or that the transferee will submit a complete description of the proposed licensed program.

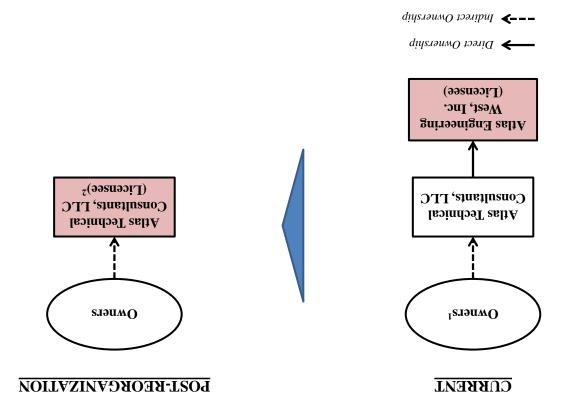
The transferee confirms that it will abide by all constraints, conditions, requirements, representations and commitments identified in and attributed to the existing License post-reorganization.

9. The transferee, in the case of fuel cycle facilities, shall provide documentation showing that it is financially qualified to conduct normal operations. The information can be in the form of income statements and balance sheet forecasts.

This question is not applicable for this License.

# **Attachment 2 Simplified Organizational Chart Describing the Reorganization**

## Simplified Organizational Chart Describing the Reorganization



<sup>1</sup> As described above, Atlas is ultimately owned by public and private investors. The NRC has evaluated Atlas' ultimate ownership in prior filings.

<sup>2</sup> Reorganization of the License and related assets and activities into Atlas Technical Consultants, LLC. No change in day-to-day operations.

 From:
 Torres, Roberto

 To:
 Hill, Carol

 Cc:
 Simmons, Michelle

Subject: FW: License No. 04-35210-01 - NRC Request for Approval/Concurrence of Internal Reorganization

**Date:** Friday, May 22, 2020 7:00:19 PM

Attachments: Atlas Eng West - NRC RIV LTA (5 22 2020).pdf

### Carol:

Please set up in WBL as a transfer of control and assign to Hanson (Hanson does not currently has assigned any transfer of control so it is her turn). Document is public. Please request posting in NRC website. Thank you.

P.S. – Please note that email was sent also to R-IV Mail Center Resource so you may get a forward email also from Lynn or Tracy or Jenny on this same action.

**From:** Desai, Sachin <sachin.desai@hoganlovells.com>

**Sent:** Friday, May 22, 2020 4:40 PM

**To:** RidsRgn4MailCenter Resource <RidsRgn4MailCenter.Resource@nrc.gov>; Torres, Roberto

<RobertoJ.Torres@nrc.gov>

Cc: Neal Clements III <nc3@scst.com>; Roma, Amy C. <amy.roma@hoganlovells.com>

**Subject:** [External\_Sender] License No. 04-35210-01 - NRC Request for Approval/Concurrence of

Internal Reorganization

Dear NRC Region IV and Roberto,

Please see attached a request for approval for the transfer of control of NRC License No. 04-35210-01, or concurrence that the planned internal reorganization described in the request does not constitute a change of control.

Due to pressing business reasons, the Applicants request approval of this application or concurrence that there is no change of control by <u>June 29, 2020</u>, or sooner if possible, and prompt posting of this application to the NRC website for the 30-day comment period.

A hard copy of this application will be sent to the Region IV office promptly. Recognizing that due to COVID-19 the NRC Region IV office may be closed, we want to provide an electronic copy as well. We hope this is sufficient for the agency to docket and start its review, and let us know if there is anything we can do to help.

Thank you very much for your time, and please let us know if you have any questions.

Kind regards, Sachin

### Sachin Desai

Senior Associate

### Hogan Lovells US LLP

Columbia Square 555 Thirteenth Street, NW Washington, DC 20004

Tel: +1 202 637 5600 Direct: +1 202 637 3671 Fax: +1 202 637 5910

Email: sachin.desai@hoganlovells.com

www.hoganlovells.com

Please consider the environment before printing this e-mail.

If you would like to know more about how we are managing the impact of the COVID-19 pandemic on our firm then take a look at our brief Q&A. If you would like to know more about how to handle the COVID-19 issues facing your business then take a look at our information hub.

### **About Hogan Lovells**

Hogan Lovells is an international legal practice that includes Hogan Lovells US LLP and Hogan Lovells International LLP. For more information, see <a href="https://www.hoganlovells.com">www.hoganlovells.com</a>.

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### **ACKNOWLEDGEMENT - RECEIPT OF CORRESPONDENCE**

| Name and Address of Applicant and/or Licensee   | Date  |
|---|---|
|   | 05/27/2020                                    |
|   | License Number(s)                             |
| Mr. Cameron Bartlett Radiation Safety Officer   | 04-35210-01                                   |
| SCST, LLC   | Mail Control Number(s)                        |
| 6280 Riverdale St   | 620012  |
| San Diego, CA 92120   | Licensing and/or Technical Reviewer or Branch |
|   |   |
|   | C. Hill                                       |
|   | <u></u>                                       |
| This is to acknowledge receipt of your: ✓ Letter and  | d/or Application Dated: 05/22/2020            |
| The initial processing, which included an administrative review, has been performed.  |   |
| ✓ Amendment Termination New License Renewal   |   |
| Y Americanent   | New License Renewal                           |
| There were no administrative omissions identified during our initial review.  |   |
| This is to acknowledge receipt of your application for renewal of the material(s) license identified above. Your application is deemed timely filed, and accordingly, the license will not expire until final action has been taken by this office.   |   |
| Your application for a new NRC license did not include your taxpayer identification number. Please complete and submit NRC Form 531, Request for Taxpayer Identification Number, located at the following link: <a href="http://www.nrc.gov/reading-rm/doc-collections/forms/nrc531.pdf">http://www.nrc.gov/reading-rm/doc-collections/forms/nrc531.pdf</a> Follow the instructions on the form for submission. |   |
|   |   |
| The following administrative omissions have been identified:  Vour application has been assigned the above listed MAIL CONTROL NUMBER. When calling to inquire about this   |   |
| Your application has been assigned the above listed MAIL CONTROL NUMBER. When calling to inquire about this   |   |

Your application has been assigned the above listed MAIL CONTROL NUMBER. When calling to inquire about this action, please refer to this control number. Your application has been forwarded to a technical reviewer. Please note that the technical review, which is normally completed within 180 days for a renewal application (90 days for all other requests), may identify additional omissions or require additional information. If you have any questions concerning the processing of your application, our contact information is listed below:

Region IV
U. S. Nuclear Regulatory Commission
DNMS/NMSB - B
1600 E. Lamar Boulevard
Arlington, TX 76011-4511
(817) 200-1103 or (817) 200-1140

# BETWEEN: [FOR ARPB USE] INFORMATION FROM WBL Accounts Receivable/Payable and Program Code: 03121 Regional Licensing Branches Status Code: Pending Amendment Fee Category:3P Exp. Date: 02/28/2025 Fee Comments: Decom Fin Assur Regd: N License Fee Worksheet - License Fee Transmittal A. REGION 1. APPLICATION ATTACHED Applicant/Licensee: SCST, LLC 05/22/2020 Received Date: 3038806 Docket Number: Mail Control Number: 620012 04-35210-01 License Number: Amendment Action Type: 2. FEE ATTACHED Amount: N/A Check No.: N/A 3. COMMENTS Carol L. Hill Signed: 05/27/2020 Date: B. LICENSE FEE MANAGEMENT BRANCH (Check when milestone 03 is entered / / Fee Category and Amount: 2. Correct Fee Paid. Application may be processed for: Amendment: Renewal: License: OTHER\_

Signed:

Date:

R1201021

# Web-Based Licensing System

Agency: NRC WBL WORKSHEET

DOCKET NUMBER: 3038806 LICENSE NUMBER: 04-35210-01 STAT

STATUS: Pending Amendment

DATE: 05/27/2020

MAIL CONTROL NUMBER: 620012 RECEIPT DATE: 05/22/2020 ACTION TYPE: Amendment

DUE DATE: 08/20/2020 INST. CODE: 35210 LICENSE REGION: Region 4

LICENSE TYPE: 30 ENTITY TYPE: C LICENSE GROUP: Industrial

ISSUE DATE: ORIGINAL DATE: 02/10/2015 EXPIRATION DATE: 02/28/2025

DECOMMISSIONING CATEGORY: Group 1 LAST ISSUE DATE:

LICENSEE NAME: SCST, LLC DECOM FIN ASSUR REQD: N

SUBM: N

MAILING ADDRESS LINE1: 6280 Riverdale Street CONT PLAN REQD: N APPRV: N

MAILING ADDRESS LINE 2:

CITY: San Diego STATE: CA ZIP: 92120

CONTACT PERSON: PREFIX: FIRST NAME: Cameron MIDDLE INITIAL:

LAST NAME: Bartlett SUFFIX:

JOB TITLE: Radiation Safety Officer PHONE: 619-528-4710 FAX: 619-280-4717 EMAIL: cbartlett@scst.com

BILLING ADDRESS LINE 1: 6280 Riverdale Street

**BILLING ADDRESS LINE 2:** 

CITY: San Diego STATE: California ZIP: 92120

BILLING CONTACT PERSON: FIRST NAME: MIDDLE INITIAL: LAST NAME:

PHONE: EMAIL: FAX:

PRIMARY PGM CODE: 03121 SECONDARY PGM CODE:

INSPECTION REGION: Region 4 PRIORITY: 5

RSO: PREFIX: FIRST NAME: Cameron MIDDLE INITIAL: LAST NAME Bartlett

SUFFIX: RSO JOB TITLE: Radiation Safety Officer

RSO PHONE: 619-528-4710 RSO FAX: 619-280-4717 RSO EMAIL: cbartlett@scst.com

STATES WHERE USE IS AUTHORIZED: 0- ALL LISTED STATES

1- SAME AS STATE IN ADDRESS

2- ALL STATES

3- NON-AGREEMENT-STATES

AUTHORIZED STATES (USE ONLY IF ABOVE IS ZERO):