

SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION

1. LICENSEE/LOCATION INSPECTED:

Wallace & Associates, LLC  
1005 S. 8th Street  
Suite B  
Kalamazoo, MI 49009

REPORT NUMBER(S) 2021001

2. NRC/REGIONAL OFFICE

Region III  
U. S. Nuclear Regulatory Commission  
2443 Warrenville Road, Suite 210  
Lisle, IL 60532-4352

3. DOCKET NUMBER(S)

030-36875

4. LICENSE NUMBER(S)

21-32557-01

5. DATE(S) OF INSPECTION

December 1 & 3, 2021 with in-office review thru Jan 5, 2022

LICENSEE:

The inspection was an examination of the activities conducted under your license as they relate to radiation safety and to compliance with the Nuclear Regulatory Commission (NRC) rules and regulations and the conditions of your license. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector. The inspection findings are as follows:

- ☐ 1. Based on the inspection findings, no violations were identified.
- ☐ 2. Previous violation(s) closed.
- ☐ 3. The violation(s), specifically described to you by the inspector as non-cited violations, are not being cited because they were self-identified, non-repetitive, and corrective action was or is being taken, and the remaining criteria in the NRC Enforcement Policy, to exercise discretion, were satisfied.

Non-cited violation(s) were discussed involving the following requirement(s):

- ☒ 4. During this inspection, certain of your activities, as described below and/or attached, were in violation of NRC requirements and are being cited in accordance with NRC Enforcement Policy. This form is a NOTICE OF VIOLATION, which may be subject to posting in accordance with 10 CFR 19.11.

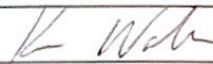
(Violations and Corrective Actions)

License Condition 13.A of Amendment No. 4 of NRC License 21-32557-01 required that the sealed sources to be tested for leakage and/or contamination at intervals not to exceed twelve months as specified in the certificate of registration NC-646-D-126-S.

Contrary to the above, between May 29, 2020 and December 1, 2021, the licensee failed to perform the leak test of a Troxler Electronic Laboratories, Model 3216 portable gauge every 12 months, as specified in the certificate of registration, NC-646-D-126-S. Specifically, the last leak test was done on May 29, 2020, and had not been leak tested again as of December 1, 2021, an interval exceeding 12 months. As corrective action, the licensee immediately performed the leak test of the gauge on December 3, 2021.

Statement of Corrective Actions

I hereby state that, within 30 days, the actions described by me to the Inspector will be taken to correct the violations identified. This statement of corrective actions is made in accordance with the requirements of 10 CFR 2.201 (corrective steps already taken, corrective steps which will be taken, date when full compliance will be achieved). I understand that no further written response to NRC will be required, unless specifically requested.

| TITLE                     | PRINTED NAME                     | SIGNATURE   | DATE    |
|---------------------------|----------------------------------|---|---------|
| LICENSEE'S REPRESENTATIVE | Keri Wallace, President          |                                 | 1-26-22 |
| NRC INSPECTOR             | Zahid Sulaiman, Health Physicist | Zahid M. Sulaiman<br><small>Digitally signed by Zahid M. Sulaiman<br/>Date: 2022.01.05 12:23:52 -06'00'</small>     |         |
| BRANCH CHIEF              | Michael Kunowski, Chief, MIB     | Michael A. Kunowski<br><small>Digitally signed by Michael A. Kunowski<br/>Date: 2022.01.11 05:09:53 -06'00'</small> |         |

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(Continued)

Title 10 CFR 71.5(a) requires, in part, that a licensee who transports licensed material where transport is on public highways comply with the applicable requirements of the regulations of the Department of Transportation (DOT) in 49 CFR Part 172. Title 49 CFR 172.704(c) requires, in part, that a hazmat employee receive initial training and recurrent training at least once every 3 years.

Contrary to the above, between November 8, 2015 and December 1, 2021, the licensee failed to provide recurrent training once every 3 years for its hazmat employees that satisfies the requirements in Subpart H to 49 CFR Part 172. As corrective action, the licensee will contact the gauge manufacturer or the vendor to schedule the DOT Hazmat training.



## Materials Inspection Record

|  |  |   |  |   |                                       |
|--|--|---|--|---|---------------------------------------|
| 1. Licensee Name:<br>Wallace & Associates, LLC   |  | 2. Docket Number(s):<br>030-36875   |  | 3. License Number(s)<br>21-32557-01   |                                       |
| 4. Report Number(s):<br>2021001  |  |   | 5. Date(s) of Inspection:<br>December 1 & 3, 2021 with in-office review thru Jan 5, 2022 |   |                                       |
| 6. Inspector(s):<br>Zahid Sulaiman, Health Physicist   |  | 7. Program Code(s):<br>03121  |  | 8. Priority:<br>5   | 9. Inspection Guidance Used:<br>87124 |
| 10. Licensee Contact Name(s):<br>Jillian Frazee, RSO   |  | 11. Licensee E-mail Address:<br>jfrazee@portageps.org<br>keri@chenowethroofing.com  |  | 12. Licensee Telephone Number(s):<br>(313) 378-8885   |                                       |
| 13. Inspection Type:<br><input checked="" type="checkbox"/> Routine <input type="checkbox"/> Announced<br><input type="checkbox"/> Non-Routine <input checked="" type="checkbox"/> Unannounced |  | 14. Locations Inspected:<br><input checked="" type="checkbox"/> Main Office <input checked="" type="checkbox"/> Field Office<br><input type="checkbox"/> Temporary Job Site <input type="checkbox"/> Remote |  | 15. Next Inspection Date (MM/DD/YYYY):<br>12/01/2026<br><input checked="" type="checkbox"/> Normal <input type="checkbox"/> Extended<br><input type="checkbox"/> Reduced <input type="checkbox"/> No change |                                       |

## 16. Scope and Observations:

This was an unannounced routine inspection of a constructing testing company authorized to possess and use portable gauges at its main office in Kalamazoo, Michigan, and at a satellite office in Three Rivers, Michigan. The licensee possess a Troxler Electronic Laboratories, Model 3612 portable gauge for measuring the physical properties of materials. The licensee employed two authorized gauge users who have completed the manufacturer and the initial DOT hazmat training. The licensee secured the gauge in accordance with two barrier rule in the storage vault which is locked inside the cabinet inside the licensee facility, and in the vehicle. The licensee's main office located in Kalamazoo, Michigan is the only active location of use. The licensee had moved from the Three Rivers, Michigan location approximately eight years ago and from the satellite storage facility in Kalamazoo, Michigan about three years ago. The licensee will submit an amendment request to remove these two locations of use from the license. The licensee will also submit an amendment request to change the license to storage only.

## PERFORMANCE OBSERVATIONS

This inspection was consisted of tour of the facilities, interview with select licensee personnel, a review of select records, an observation of security of the materials, and independent measurement. The inspector visited the Three Rivers, Michigan facility and found that the licensee had moved from this location over eight years ago. The inspector toured the main office in Kalamazoo, Michigan. The portable gauge were adequately secured with two independent physical barriers while in storage at the main office or during transportation. The inspector had the licensee staff described gauge use, storage of gauge at temporary job site and during transportation, emergency procedure, placement of shipping papers in the vehicle, and other procedures. The inspector reviewed selection of licensee records including leak tests, inventory, package receipts, utilization log, annual audit, training records, and emergency response procedure. Through these demonstrations, observation, and discussion, the inspector found that the licensee staff was knowledgeable of radiation protection principles and licensee procedures. The inspector performed independent and confirmatory radiation measurements which indicated no residual contamination or exposures to members of the public in excess of regulatory limits.

The inspector identified two violations. The first was a violation of License Condition 13.A of Amendment No. 4 of NRC license 21-32557-01 for failure to perform the leak test of a portable gauge every 12 months, as specified in the certificate of registration, NC-646-D-126-S. Specifically, the last leak test of the gauge was done on May 29, 2020, and had not been leak tested again as of December 1, 2021, an interval exceeding 12 months.

The second violation was of 10 CFR 71.5(a), the licensee failed to provide recurrent training once every 3 years for

**Materials Inspection Record (Continued)**

its hazmat employees that satisfies the requirements in Subpart H to 49 CFR Part 172. The authorized users have not completed the recurrent DOT hazmat training since November 8, 2018.

The inspector determined that the root cause of the violations was a lack of understanding of the terms and conditions of the NRC license. As corrective actions, the licensee immediately performed the leak test of the portable gauge and will contact the gauge manufacturer or the vendor to schedule the DOT Hazmat training.