



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**

REGION III
2443 WARRENVILLE RD. SUITE 210
LISLE, IL 60532-4352

November 22, 2022

Joshua Varelmann
Radiation Safety Officer
DLZ Corporation
6121 Huntley Rd.
Columbus, OH 43229

Dear Mr. Varelmann:

This letter is regarding the application dated August 11, 2022, signed by Barry Lubow, Vice President and General Counsel, requesting the renewal of your U.S. Nuclear Regulatory Commission (NRC) Materials License No. 13-20218-01.

The U.S. NRC's guidance document for your proposed type of license, which I refer to below as "the guidance," is NUREG-1556, Volume 1, Rev. 2, dated June 2016, "Consolidated Guidance About Materials Licenses, Program – Specific Guidance About Portable Gauge Licenses." This guidance is available on the U.S. NRC website at:
<https://www.nrc.gov/docs/ML1617/ML16175A375.pdf>

Upon review of the request, I identified the following areas requiring additional or clarifying information:

1. NRC Form 313, "Application for Materials License," indicates that the license application should be prepared following the instructions provided in the current volume of NUREG-1556, "Consolidated Guidance About Materials Licenses."

Your application was not prepared in accordance with the guidance and did not adequately address all required items. Therefore, you may revise and resubmit your application using Appendix B, "Suggested Format for Providing Information Requested in Items 5 through 11, of the U.S. NRC Nuclear Regulatory Commission Form 313," from the guidance.

Additional items in this letter address the specific areas in which additional or clarifying information is requested. Further information regarding completion of the license application may be found in Section 8, "Contents of an Application," of the guidance.

2. Section 8.3, "Address(es) where Licensed Material will be Used or Possessed," of the guidance and Item 3 of the NRC Form 313, "Application for Materials License," require that you specify the address(es) where licensed materials will be used or possessed.

Item 3 of your license application did not include all licensed permanent storage sites.

Clarify the status of your licensed site at 157 E. Maryland St., Indianapolis, Indiana. If you are requesting the removal of the licensed site, please provide documentation supporting the release of this location to unrestricted use, including records of transfer/disposal of licensed materials and associated leak test reports.

3. Section 8.7.1, "Radiation Safety Officer," of the guidance identifies that the Radiation Safety Officer (RSO) is responsible for the oversight of licensed operations. The RSO must have sufficient organizational authority and management prerogative to enforce appropriate radiation protection rules, standards, and practices.

Submit an updated delegation of authority supporting your continuing appointment as RSO. A model Delegation of Authority is provided in Appendix D, "Typical Duties and Responsibilities of the Radiation Safety Officer," of the guidance. The completed Delegation of Authority should be signed by the appointed RSO and a management representative. Include the printed name, title and date for each individual signing.

4. Section 8.9, "Facilities and Equipment," of the guidance identifies that applicants must provide a facility diagram for each permanent portable gauge storage location.

The facility diagrams and descriptions accompanying your application did not provide sufficient detail.

Please resubmit the facility diagrams and descriptions, providing all information relevant to public dose and security as discussed in Sections 8.10.5, "Public Dose," and 8.10.6, "Operating, Emergency, and Security Procedures."

Depict all entrances and points of access, rooms, uses of the rooms, the location of the portable gauge storage area and its distance from occupied work areas. Also, describe and label all adjacent areas to your facility (parking lot, neighboring buildings, streets, etc.).

If your facility is a multistory and/or multitenant building, identify all floors and their uses, including areas occupied by other tenants. In addition, submit greater detail on your storage area. If the gauges are stored in a cabinet or similar container, submit a diagram and description of the container.

Please do not submit blueprints or copies of blueprints. Simple, hand – drawn diagrams are best.

As depicted in Figure 8-4, "Storing Gauges," of Section 8.10.5 of the guidance, gauges should be stored away from occupied areas. Further, Title 10 of the *Code of Federal Regulations* (10 CFR) §30.34(i) requires that portable gauges be secured against unauthorized removal using a minimum of two independent physical controls that form tangible barriers.

5. Section 8.10.2, "Radiation Monitoring Instruments," of the guidance specifies that licensees should possess, or have access to, radiation monitoring instruments, which are necessary to protect health and minimize danger to life or property, especially in circumstances related to incidents involving portable gauging devices at construction sites.

Your application does not identify if you possess, or have access to, radiation monitoring instruments.

As indicated in the "Response from Applicant," area of this section, please revise and resubmit your application providing either of the following:

- the statement: “We will either possess and use, or have access to and use, a radiation survey meter that meets the criteria in the section titled ‘Radiation Safety Program— Radiation Monitoring Instruments’ in NUREG–1556, Volume 1, Revision 2, ‘Consolidated Guidance About Materials Licenses: Program-Specific Guidance About Portable Gauge Licenses,’ in the event of an incident”; or
 - a description of an alternative procedure for determining source integrity after an incident involving the gauge.
6. Section 8.10.3, “Material Receipt and Accountability,” of the guidance, identifies that licensed materials must be tracked “from cradle to grave” to ensure gauge accountability; identify when sealed sources/gauges could be lost, stolen, or misplaced; and ensure that possession limits listed on the license are not exceeded.

Licensees must do the following:

- maintain records of receipt, transfer, and disposal of gauges; and
- conduct physical inventories every 6 months (or at other intervals justified by the applicant and approved by the NRC) to account for all sealed sources.

Your application does not describe how you will ensure accountability of licensed materials at all times.

As indicated in the “Response from Applicant,” area of this section, please revise and resubmit your application providing either of the following:

- the statement: “Physical inventories will be conducted every 6 months or at other intervals approved by the NRC to account for all sealed sources and devices received and possessed under the license”; or
 - a description and justification of an alternate frequency and/or procedure to account for all sealed sources and devices received and possessed under the license; and
 - the statement: “We will develop, implement and maintain procedures for ensuring accountability of licensed materials at all times.”
7. Section 8.10.6, “Operating, Emergency and Security Procedures,” of the guidance states that applicants must develop, implement, and maintain Operating, Emergency, and Security (OE&S) Procedures.

Your application included the statement, “We will implement and maintain the operating, emergency, and security procedures in Appendix G to NUREG–1556, Volume 1, Revision 2, ‘Consolidated Guidance About Materials Licenses: Program-Specific Guidance About Portable Gauge Licenses.’ Copies of these procedures will be provided to all gauge users and will be available at each jobsite.” Though, your application included OE&S Procedures that vary from those referenced in your statement.

You may revise and resubmit your application to include either:

- the statement, “We will implement and maintain the operating, emergency, and security procedures in Appendix G to NUREG–1556, Volume 1, Revision 2, ‘Consolidated Guidance About Materials Licenses: Program-Specific Guidance About Portable Gauge Licenses.’ Copies of these procedures will be provided to all gauge users and will be available at each jobsite”; or

- the statement, “Operating, emergency, and security procedures will be developed, implemented, and maintained and will meet the criteria in section 8.10.6, ‘Radiation Safety Program—Operating, Emergency, and Security Procedures,’ NUREG–1556, Volume 1, Revision 2, ‘Consolidated Guidance About Materials Licenses: Program-Specific Guidance About Portable Gauge Licenses.’ Copies of these procedures will be provided to all gauge users and will be available at each jobsite”; or
 - alternative procedures, and the statement, “Copies of these procedures will be provided to all gauge users and will be available at each jobsite.”
8. Section 8.10.8, “Maintenance,” of the guidance, specifies that licensees should routinely clean and maintain gauges according to the manufacturer’s written recommendations and instructions. Nonroutine maintenance or repair (beyond routine cleaning and lubrication) that involves detaching the source or source rod from the device, and any other activities during which personnel could receive radiation doses exceeding NRC limits, must be performed by the gauge manufacturer or a person specifically authorized by the NRC or an Agreement State.

Your application does not include applicable Non-Routine Maintenance Procedures.

As indicated in the “Response from Applicant,” area of this section, revise and resubmit your application providing a commitment regarding the performance of nonroutine maintenance or repair operations:

- the statement: “The gauge manufacturer, or other person licensed by the NRC or an Agreement State will perform nonroutine maintenance or repair operations that require detaching the source or source rod from the gauge;” or
- a request to perform this work “in-house,” using the information in Appendix F of the guidance to support the request

In accordance with 10 CFR §2.390 of the U.S. NRC’s “Rules of Practice,” a copy of this letter will be made available electronically for public inspection in the U.S. NRC’s Public Document Room or from the U.S. NRC’s Agencywide Documents Access and Management System (ADAMS), accessible from the U.S. NRC website at: <https://www.nrc.gov/reading-rm/adams.html>.

To continue review of your request, please submit your response to this letter within 30 calendar days from the date of this letter. In your response, please refer to the license, docket, and control number specified below. I will assume that you do not wish to further pursue this licensing action if I do not receive a reply within the specified timeframe noted above.

If you have questions, require additional time to respond, or require clarification on any of the information stated above, I encourage you to contact me at (630) 829-9737 or via e-mail at Jason.Kelly@nrc.gov.

Sincerely,

Jason M. Kelly, MPH
Health Physicist
Materials Licensing Branch

Docket No.: 030-18110
License No.: 13-20218-01
Control No.: 632119