



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

July 3, 2023

EA-23-030

Danny De Lara  
Operations Manager  
Paramount Builders, Inc.  
P.O. Box 2070  
Pago Pago, AS 96799

SUBJECT: PARAMOUNT BUILDERS - NRC INSPECTION REPORT 030-39276/2022-001

Dear Danny De Lara:

This letter refers to the announced initial remote inspection, conducted from April 4, 2022, through January 16, 2023, of licensed activities performed at your facility in Pago Pago, American Samoa. The inspection examined activities conducted under your license as they relate to safety and compliance with the U.S. Nuclear Regulatory Commission's (NRC) rules and regulations, and with the conditions of your license. Within these areas, the inspection consisted of an examination of selected procedures, representative records, and interviews with personnel. The enclosed report presents the results of this inspection. A final exit meeting was conducted with you on June 28, 2023.

Based on the results of this inspection, one apparent violation 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 involves the failure to assign an individual to perform the duties and fulfill the responsibilities of a Radiation Safety Officer. The circumstances surrounding this apparent violation, the significance of the issue, and the need for lasting and effective corrective action were discussed with you on June 28, 2023.

Before the NRC makes its enforcement decision, we are providing you an opportunity to: (1) respond in writing to the apparent violation addressed in the inspection report within 30 days of the date of this letter; or (2) request a predecisional enforcement conference (PEC). If a PEC is held, it will be open for public observation and the NRC may issue a press release to announce the time and date of the conference. Please contact Dr. Lizette Roldán-Otero at 817-200-1455 or [Lizette.Roldan-Otero@nrc.gov](mailto:Lizette.Roldan-Otero@nrc.gov) within 10 days of the date of this letter to notify the NRC of your choice to either provide a written response or participate in a PEC. A PEC should be held within 30 days of the date of this letter.

If you choose to provide a written response, it should be clearly marked as a “Response to an Apparent Violation in NRC Inspection Report 030-39276/2022-001; EA-23-030” and should include: (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; and (4) the date when full compliance will be achieved. Your response may reference or include previously docketed correspondence if the correspondence adequately addresses the required response. 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.

Your written response, should you choose to provide one, should be sent to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001, with identical copies mailed to Director, Division of Radiological Safety & Security, U.S. Nuclear Regulatory Commission, Region IV, 1600 East Lamar Boulevard, Arlington, TX 76011, and emailed to [R4Enforcement@nrc.gov](mailto:R4Enforcement@nrc.gov) 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, the conference will afford you the opportunity to provide your perspective on these matters and any other information that you believe the NRC should take into consideration before making an enforcement decision. The decision to hold a PEC does not mean that the NRC has determined that a violation has occurred or that enforcement action will be taken. This conference would be conducted to obtain information to assist the NRC in making an enforcement decision. The topics discussed during the conference may include 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.

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 violations. The guidance in NRC Information Notice 96-28, “Suggested Guidance Relating to Development and Implementation of Corrective Action,” may be helpful in preparing your response (Agencywide Documents Access and Management System (ADAMS) Accession No. ML061240509).

In addition, please be advised that the number and characterization of the apparent violations 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 “Agency Rules of Practice and Procedure,” a copy of this letter, its enclosure, and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room or in the NRC’s ADAMS, accessible from the NRC website 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.

D. De Lara

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If you have any questions concerning this matter, please contact Dr. Lizette Roldán-Otero of my staff at 817-200-1455.

Sincerely,



Signed by Miller, Geoffrey  
on 07/03/23

Geoffrey B. Miller, Director  
Division of Radiological Safety & Security

Docket No. 030-39276  
License No. 57-35643-01

Enclosure:  
Inspection Report 030-39276/2022-001

PARAMOUNT BUILDERS, INC. - NRC INSPECTION REPORT 030-39276/2022-001 – DATED JULY 3, 2023

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DCylkowski, ORA	RAugustus, OGC	

ADAMS ACCESSION NUMBER: ML23172A170

SUNSI Review: ADAMS:  Non-Publicly Available  Non-Sensitive Keyword:  
 By: MHK  Yes  No  Publicly Available  Sensitive NRC-002

OFFICE	RIV:MIB	BC:MIB	ATL:ACES	RC	OE
NAME	MKawasmi	LRoldan-Otero	JKramer	DCylkowski	JPeralta
SIGNATURE	/RA/ E	/RA/ E	/RA/ E	/RA/ E	/RA/ E
DATE	05/25/23	06/22/23	06/21/23	06/22/23	06/23/23
OFFICE	OGC	D:DRSS			
NAME	RAugustus	GMiller			
SIGNATURE	/NLO/ E	/RA/			
DATE	06/27/23	07/03/2023			

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**U.S. NUCLEAR REGULATORY COMMISSION  
REGION IV**

Docket No.: 030-39276

License No.: 57-35643-01

Inspection Report No.: 030-39276/2022-001

EA No.: EA-2023-030

Licensee: Paramount Builders, Inc.

Location Inspected: Remote Inspection

Inspection Dates: April 4, 2022, through January 16, 2023.

Exit Meeting Date: June 28, 2023

Inspectors: Allyce Bolger  
Health Physicist  
Materials Inspection Branch

Mohanned Kawasmi  
Health Physicist  
Materials Inspection Branch

Approved by: Lizette Roldán-Otero, PhD  
Chief, Materials Inspection Branch  
Division of Radiological Safety & Security

Attachment: Supplemental Inspection Information

Enclosure

## **EXECUTIVE SUMMARY**

### **Paramount Builders, Inc. NRC Inspection Report 030-39276/2022-001**

On April 4, 2022, the U.S. Nuclear Regulatory Commission (NRC) began a remote initial inspection of Paramount Builders, Inc., (licensee) a portable gauge licensee located in American Samoa. The inspectors continued the remote inspection through January 16, 2023, and examined activities conducted under the license through review of procedures and records, and interviews with licensee personnel.

#### **Program Overview**

Paramount Builders, Inc. is authorized under NRC Materials License 59-35643-01 for use of one portable gauge for measurement of physical properties of materials.

#### **Inspection Findings**

The inspection identified that the licensee failed to have a Radiation Safety Officer (RSO). The individual who was named on the license left the position prior to the initial inspection, and the licensee has failed to submit a license amendment request to name a different individual as a new RSO. The personnel engaged in securing the NRC license are no longer working for Paramount Builders. The new personnel employed after the license was issued were not aware of the NRC requirement for the license to be maintained with a current RSO. The licensee had a sole gauge user who was unable to work since the license was issued, so Paramount Builders had contracted another company to perform moisture density portable gauge measurements.

#### **Corrective Actions**

The licensee had not submitted a license amendment request to name a new RSO as of the date of the inspection exit meeting on June 28, 2023. Multiple discussions were held with the licensee's operations manager regarding the need to submit a request and name a new RSO.

## REPORT DETAILS

### 1 Program Overview (Inspection Procedure (IP) 87139)

Paramount Builders, Inc. (licensee) is authorized under NRC Materials License 59-35643-01 to possess and use byproduct material for use in portable gauging devices for measuring physical properties of materials.

### 2 Inspection Overview (IP 87139)

#### 2.1 Inspection Scope

On April 4, 2022, the U.S. Nuclear Regulatory Commission (NRC) began a remote initial inspection of Paramount Builders, Inc. with continued review through January 16, 2023. The inspection scope examined licensed activities and compliance with the NRC's regulations and the conditions of the license. The inspection consisted of interviews with licensee personnel and examination of procedures and representative records.

#### 2.2 Background

On August 10, 2021, the NRC issued a new license to Paramount Builders, Inc. for possession and use of one Humboldt Scientific, Inc. Model 5001 portable gauging device for measuring physical properties of materials. The initial inspection of this licensee was performed remotely due to the COVID-19 Public Health Emergency and the difficulty associated with traveling to American Samoa with its borders being closed.

The inspectors interviewed the operations manager and confirmed that the licensee received the portable nuclear gauge authorized on the license and that it was properly secured. The inspectors discovered that the RSO, who was named on the license, was no longer working for the licensee. The licensee's only gauge user was unavailable to work since the license was issued and the licensee had contracted another company to perform moisture density portable gauge measurements. The inspectors were unable to interview the gauge user remotely and determined that the licensee's operations manager was not familiar with the various duties performed by the RSO.

The RSO duties typically include ensuring that unsafe activities around the portable gauge are stopped, and that the gauges are used and securely stored as specified in the license and regulations. The RSO ensures that gauge users are properly trained, radiation exposures are kept as low as is reasonably achievable, and that radiation exposures are monitored or evaluated. The RSO is responsible for users' proper implementation of the operating, emergency, and security procedures, ensures that gauge cleaning and routine maintenance is performed properly, and that non-routine maintenance is only performed by licensed entities. The RSO must ensure that licensed radioactive material is transported in accordance with all applicable NRC and U.S. Department of Transportation requirements.

The RSO is responsible for notifying the NRC in case of a reportable event involving an accident, damage to, or malfunction of the gauge, and of fire, loss, or theft. The RSO typically documents annual audits of the radiation safety program, any corrective actions needed to be taken, and keeps all required records maintained. The RSO helps ensure cradle to grave tracking of the radioactive material, to help ensure licensed material is

disposed of properly. The RSO also helps the licensee keep an up-to-date license and can submit license amendment or renewal requests for the company in a timely manner.

The inspectors noted that there was difficulty communicating with licensee employees due to the time difference between U.S. mainland and American Samoa, and because of the remote nature of the inspection.

### **3 Observations and Findings (IP 87139)**

During the remote inspection, one apparent violation of NRC requirements was identified.

#### **3.1 Apparent Violation of License Condition 12 of NRC Materials License 57-35643-01, dated August 10, 2021**

License Condition 12 of NRC Materials License 57-35643-01 dated August 10, 2021, states, in part, the individual named as the RSO for the license.

Contrary to the above, from April 2022 to June 28, 2023, the licensee failed to have that named individual as the RSO for the license. Specifically, the licensee did not request an amendment to name a new RSO on the license after the previous RSO had terminated employment. (030-39276/2022-001-01)

### **4 Corrective Actions**

The licensee had not submitted a license amendment request to name a new RSO as of the date of the inspection exit meeting on June 28, 2023. Multiple discussions were held with the licensee's operations manager regarding the need to submit a request and name a new RSO. One expected corrective action forthcoming from the licensee, in response to this inspection report, is to name a new qualified RSO. Additional corrective actions to prevent recurrence of this apparent violation should also be addressed in the licensee's response.

### **5 Exit Meeting Summary**

On June 28, 2023, a telephonic exit meeting was conducted with Danny De Lara, Operations Manager of Paramount Builders, Inc. The licensee acknowledged the apparent violation and did not dispute the details presented during the exit meeting.

**Supplemental Inspection Information**

**PARTIAL LIST OF PERSONS CONTACTED**

Danny De Lara, Operations Manager  
Eli Folau, Portable Gauge User

**INSPECTION PROCEDURES USED**

IP 87139 – Portable Nuclear Gauge Programs

**ITEMS OPENED, CLOSED, AND DISCUSSED**

Opened

030-39276/2022-001-01      AV      Failure to maintain license with a qualified RSO

Closed

None

Discussed

None

**LIST OF ACRONYMS USED**

10 CFR	Title 10 of the <i>Code of Federal Regulations</i>
ADAMS	Agencywide Documents Access and Management System
AV	Apparent Violation
IP	Inspection Procedure
LC	License Condition
NRC	U.S. Nuclear Regulatory Commission
PEC	Predecisional Enforcement Conference
RSO	Radiation Safety Officer