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Materials Testing
Geotechnical Engineering
Environmental
Building Sciences & Safety
Inspections & Code Compliance
Virtual Design Consulting

August 15, 2024

Via Electronic Mail

U.S Nuclear Regulatory Commission (NRC)
Region IV
Division of Radiological Safety and Safeguards
Attn: Carol Hill, Licensing Assistant, Materials Licensing Branch
1600 East Lamar Boulevard
Arlington, TX 76011-4511

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**SUBJECT: Application for Approval of Indirect Transfer of Control:
Materials License No. 04-29106-01, Docket No. 030-34317**

Dear Ms. Hill:

The following is submitted in response to your recent email(s), copy attached.

In accordance with previous communication(s) with Ms. Alexis Willis of NRC Region IV and Mr. David Edwards of Universal Engineering Sciences (UES), Construction Testing & Engineering, Inc.* (“Licensee”) requests NRC’s consent to an indirect change in control of the above-referenced materials license. Pursuant to 10 CFR Part 30, §30.34(b), the Licensee and Obsidian Group Acquisitions, Inc., a Delaware corporation (“Obsidian”), collectively the “Applicants”, hereby formally notify and request NRC’s consent to the indirect transfer of NRC Materials License No. 04-29106-01 (the “License”).

Pursuant to an acquisition agreement signed on February 1, 2021, Licensee was acquired by Obsidian, resulting in an ownership change over Licensee (the “Acquisition”). Subsequent to the Acquisition, Licensee continues to exist, continues as the holder of the License and continues its operations as before the Acquisition, but as a wholly-owned subsidiary of Obsidian. Attachment 1 below presents a simplified organization chart illustrating the ownership of Licensee following consummation of the Acquisition.

Licensee did not originally consider the transaction described herein to be a transfer of control, but has since learned of NRC precedent that may call into question that conclusion. Therefore, Licensee is submitting this request for consent to assure compliance with NRC regulations.

Licensee is a California corporation headquartered in Escondido, CA. Licensee possesses, transports and uses gauges containing double-encapsulated sealed sources of licensed (radioactive) material to provide services related to environmental and earth sciences, sustainable infrastructure solutions and geophysical technology, including determining moisture content and/or density of construction materials (soils, aggregates, asphalt, etc.).

* Licensee requested an amendment to the License on June 28, 2024, to change the name of the Licensee from "Construction Testing and Engineering, Inc." to "UES Professional Solutions, Inc."

August 15, 2024

Page 2

Licensee continues to exist following the consummation of the Acquisition. Obsidian's acquisition of Licensee did not directly impact the License. Licensee remains the Licensee, and the use of its licensed devices (portable gauges), its procedures and safety program remain the same as before the Acquisition.

The only substantive change relevant to control of License is the transfer of indirect ownership of the Licensee to Obsidian. Obsidian is a holding company doing business under the trade name "UES." Obsidian owns several engineering firms throughout the United States that currently hold U.S. NRC Materials Licenses and Agreement State radioactive materials licenses.

Neither the Acquisition nor the change in Licensee's legal name has not impacted control over licensed activities, including licensed programs and training programs. The health and safety of all employees and members of the general public was/is not compromised by the use of the materials covered by the License. Post-acquisition and name change, the day-to-day operations under the License remain unchanged, with operations taking place at the same location and using the same materials, facility, and procedures – all under the same Radiation Safety Officer.

To assist in NRC Region IV's review of the indirect change of control of the License, Attachment 2 hereto presents the information generally required by the NRC for transfer of control applications under its guidance in NUREG-1556, Volume 15, Item 5 and Appendix E. The attachment provides more information about the transaction.

If you have any questions or comments pertaining to this application, please contact John Thornton via email to: jthornton2@teamues.com.

Enclosures: Attachment 1, Simplified Organizational Chart Illustrating the Acquisition

Attachment 2, NUREG-1556, Volume 15, Revision 1, Appendix E (Information Needed for Transfer of Control Application)

cc: NRC Region IV
 N. O'Keefe; NRC Region IV Materials Licensing Branch

 S. Green, Radiation Safety Officer, Construction Testing & Engineering, Inc.

 J. Thornton, Regional Safety Director, UES

 Radiation Safety Officer, Obsidian Group Acquisitions, Inc.

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 above application pertaining to Construction Testing and Engineering, Inc.* (and its subsidiaries and affiliates)¹ is true and correct.

Executed on August 15, 2024



Dan T. Math, PE/GE
Area Director, Southern California
Construction Testing & Engineering, Inc.
1441 Montiel Road, Suite 115
Escondido, California 92026

¹ NTD: Include only if applicable.

* Licensee requested an amendment to the License on June 28, 2024, to change the name of the Licensee from "Construction Testing and Engineering, Inc." to "UES Professional Solutions, Inc."

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 above application pertaining to Obsidian Group Acquisitions, Inc. and its subsidiaries and affiliates is true and correct.

Executed on August 15, 2024

DocuSigned by:

Benjamin Butterfield

883F86A3956C4A2

Benjamin Butterfield

General Counsel

Obsidian Group Acquisitions, Inc.

4205 Vineland Road, suite L1

Orlando, Florida 32811

FW: Request for Additional Information

Carol Hill <Carol.Hill@nrc.gov>

Tue 8/13/2024 2:55 PM

To: John Thornton <jthornton2@teamues.com>

 1 attachments (104 KB)

Appendix E.pdf;

This Message Is From an External Sender

This message came from outside your organization.

From: Carol Hill

Sent: Friday, August 9, 2024 1:48 PM

To: steve.green@cte-inc.net

Subject: Request for Additional Information

Good Morning,

We have received your amendment request dated 06/28/2024 to change the name on your license. To make this change additional information is required. Please provide the information in the attached Appendix E from NUREG-1556, Volume 15, revision 1, and clearly state whether this is a change of control or just company name change only. Once we receive this information, we can initiate review of your amendment request.

If you have any questions or need additional information, please feel free to contact me.

Have a GREAT Day!

Carol L. Hill, Licensing Assistant

Direct: **817-200-1140**

Toll Free: **1-800-952-9677**

Fax: **817-200-1083**

E-mail: Carol.Hill@nrc.gov

EFFECTIVE OCTOBER 1, 2024, THE NRC WILL ONLY ACCEPT ELECTRONIC PAYMENT METHODS. PAPER METHODS OF PAYMENT, INCLUDING CHECKS, WILL NO LONGER BE ACCEPTED.

Attachment 2

**NUREG-1556, Volume 15, Revision 1, Appendix E (Information Needed for
Transfer of Control Application)**

This information is submitted consistent with 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.***

UES Professional Solutions, Inc. formerly known as Construction Testing and Engineering, Inc.* (“Licensee”) holds NRC Materials License No. 04-29106-01 (Docket No. 030-34317), the “License”. Licensee is currently wholly owned by Obsidian Group Acquisitions, Inc. (“Obsidian”), collectively with Licensee, the “Applicants”. Licensee requested an amendment to the License on June 28, 2024, to change the name of the Licensee from “Construction Testing and Engineering, Inc.” to “UES Professional Solutions, Inc.”.

Pursuant to an acquisition agreement signed on 02/01/2021, Licensee was acquired by Obsidian, resulting in an ownership change over Licensee (the “Acquisition”) and an indirect transfer of the License. Subsequent to the acquisition, Licensee continues to exist, continues as the holder of the License and continues its operations as before the Acquisition. Attachment 1 above presents a simplified organization chart illustrating the ownership of Licensee prior to and following the consummation of the Acquisition.

The only substantive change relevant to control of the License is the transfer of ownership of Licensee to Obsidian. Obsidian is a holding company doing business under the trade name “UES.” Obsidian owns several engineering firms throughout the United States that currently hold NRC and Agreement State materials licenses.

The Acquisition has not impacted control over licensed activities, including licensed programs and trainings. The health and safety and all employees and members of the general public are not compromised by the use of the materials covered by the License. Post-acquisition, the day-to-day operations under the License remain unchanged, with operations taking place at the same location and using the same materials, facility, and procedures – all under the same Radiation Safety Officer.

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 changes in personnel nor any of the licensed programs, including the training program.

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 indirect 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.***

There are no changes in the status of facilities, equipment, or radiation safety program due to the transfer. Licensee is in compliance with respect to calibrations, leak tests, area surveys, wipe tests, training, security and control, and program-related records. Also, there were no known contamination which required decontamination prior to the transfer.

- 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.***

Licensee's operations are unchanged. To the extent that a decommissioning funding plan is required, it has not and will not, be changed as a result of the transfer.

- 6. Confirm that all records concerning the safe and effective decommissioning of the facility will be transferred to the transferee or to the regulator, 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, which are current and were current at the time of the transfer, remain with Licensee, which continues to hold the License.

- 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 agreed to the indirect transfer. There are no open inspection items pertaining to licensed activities.

- 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.***

Licensee remains the holder of the License after the transfer and continues to abide by all constraints, conditions, requirements, representations and commitments identified in and attributed to existing licensed activities after closing of the transaction. To the extent applicable, Obsidian agrees to and does abide by all constraints, conditions, requirements, representations and commitments identified in and attributed to existing licensed activities after closing of the transaction.

- 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 to the licensed activities.

From: [John Thornton](#)
To: [Carol Hill](#)
Cc: [Steve Green](#)
Subject: [External_Sender] Re: Request for Additional Information - NRC Materials License No. 04-29106-01
Date: Thursday, August 15, 2024 11:18:31 AM
Attachments: [image.png](#)
[image.png](#)
[image.png](#)
[image.png](#)
[image.png](#)
[Attached Image.msg](#)

Ms. Hill:

In response to your email below, please see attached document (letter plus attachments).

If any questions or if I can be of any assistance, please contact me at your convenience.

Thank you,

- John

John T Thornton

Regional Safety Director

West Region

477 Parkland Drive

Sandy, UT 84070

p. 801.448.0322 c. 630.280.7150



From: Carol Hill <Carol.Hill@nrc.gov>
Sent: Tuesday, August 13, 2024 2:54 PM
To: John Thornton <jthornton2@teamues.com>
Subject: FW: Request for Additional Information

This Message Is From an External Sender

This message came from outside your organization.

From: Carol Hill
Sent: Friday, August 9, 2024 1:48 PM
To: steve.green@cte-inc.net
Subject: Request for Additional Information

Good Morning,

We have received your amendment request dated 06/28/2024 to change the name on your license. To make this change additional information is required. Please provide the information in the attached Appendix E from NUREG-1556, Volume 15, revision 1, and clearly state whether this is a change of control or just company name change only. Once we receive this information, we can initiate review of your amendment request.

If you have any questions or need additional information, please feel free to contact me.

Have a GREAT Day!

Carol L. Hill, Licensing Assistant

Direct: **817-200-1140**
Toll Free: **1-800-952-9677**
Fax: **817-200-1083**
E-mail: Carol.Hill@nrc.gov

EFFECTIVE OCTOBER 1, 2024, THE NRC WILL ONLY ACCEPT ELECTRONIC PAYMENT

METHODS. PAPER METHODS OF PAYMENT, INCLUDING CHECKS, WILL NO LONGER BE ACCEPTED.

From: copier@universalengineering.com <copier@universalengineering.com>

Sent: Thursday, August 15, 2024 9:56 AM

To: John Thornton <jthornton2@teamues.com>

Subject: Attached Image

This Message Is From an External Sender

This message came from outside your organization.

Original Message Attached



ACKNOWLEDGEMENT - RECEIPT OF CORRESPONDENCE

Name and Address of Applicant and/or Licensee Mr. Steve Green Radiation Safety Officer Construction Testing & Engineering, Inc. 1441 Montiel Rd. Suite 115 Escondido, CA 92026	Date 08/21/2024
	License Number(s) 04-29106-01
	Mail Control Number(s) 642483
	Licensing and/or Technical Reviewer or Branch C. Hill

This is to acknowledge receipt of your: Letter and/or Application **Dated:** 08/15/2024

The initial processing, which included an administrative review, has been performed.

Amendment Termination 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: <http://www.nrc.gov/reading-rm/doc-collections/forms/nrc531.pdf>
Follow the instructions on the form for submission.

The following administrative omissions have been identified:

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:

Accounts Receivable/Payable
and
Regional Licensing Branches

[FOR ARPB USE]
INFORMATION FROM WBL

Program Code: 03121
Status Code: Pending Amendment
Fee Category: 3P
Exp. Date: 08/31/2037
Fee Comments:
Decom Fin Assur Reqd: N

License Fee Worksheet - License Fee Transmittal

A. REGION

1. APPLICATION ATTACHED

Applicant/Licensee: Construction Testing & Engineering, Inc.
Received Date: 08/15/2024
Docket Number: 3034317
Mail Control Number: 642483
License Number: 04-29106-01
Action Type: Change of Control

2. FEE ATTACHED

Amount: N/A

Check No.: N/A

3. COMMENTS

Signed: _____

Date: _____

B. LICENSE FEE MANAGEMENT BRANCH (Check when milestone 03 is entered / /)

1. Fee Category and Amount: _____

2. Correct Fee Paid. Application may be processed for:

Amendment: _____

Renewal: _____

License: _____

3. OTHER _____

Signed: _____

Date: _____

Agency: NRC

WBL WORKSHEET

DOCKET NUMBER: 3034317 LICENSE NUMBER: 04-29106-01 STATUS: Pending Amendment

MAIL CONTROL NUMBER: 642483 RECEIPT DATE: 08/15/2024 ACTION TYPE: Change of Control

DUE DATE: 02/11/2025 INST. CODE: 29106 LICENSE REGION: Region 4

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

ISSUE DATE: ORIGINAL DATE: 12/31/1996 EXPIRATION DATE: 08/31/2037

DECOMMISSIONING CATEGORY: Group 1 LAST ISSUE DATE:

LICENSEE NAME: Construction Testing & Engineering, Inc. DECOM FIN ASSUR REQD: N
SUBM: N

MAILING ADDRESS LINE1: 1441 Montiel Road CONT PLAN REQD: N APPRV: N

MAILING ADDRESS LINE 2: Suite 115

CITY: Escondido STATE: CA ZIP: 92026

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

LAST NAME: Green SUFFIX:

JOB TITLE: Radiation Safety Officer PHONE: 760-746-4955 FAX: EMAIL: steve.green@cte-inc.net

BILLING ADDRESS LINE 1:

BILLING ADDRESS LINE 2:

CITY: STATE: California ZIP:

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: Steve MIDDLE INITIAL: LAST NAME Green

SUFFIX: RSO JOB TITLE: Radiation Safety Officer

RSO PHONE: 760-746-4955 RSO FAX: RSO EMAIL: steve.green@cte-inc.net

STATES WHERE USE IS AUTHORIZED: 3
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):