



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

April 5, 2022

EA-21-100

Mr. Mike Haley, President and  
Chief Executive Officer  
Kakivik Asset Management, LLC  
5020 Fairbanks Street,  
Anchorage, Alaska 99503

SUBJECT: KAKIVIK ASSET MANAGEMENT, LLC - NOTICE OF VIOLATION;  
NRC INSPECTION REPORT 030-35371/2020-001 AND INVESTIGATION  
REPORT 4-2020-022

Dear Mr. Haley:

This letter refers to the investigation completed on July 9, 2021, by the U.S. Nuclear Regulatory Commission (NRC) Office of Investigations concerning licensed activities at a Kakivik Asset Management, LLC (licensee) temporary jobsite on the North Slope of Alaska. The purpose of the investigation was to determine whether a radiographer's assistant willfully conducted industrial radiography without the required personnel monitoring equipment and willfully falsified a licensee daily radiation report record. The NRC's investigation results were discussed with you and members of your staff during a telephone conversation on December 17, 2021. Details of the investigation and the two apparent violations were provided to you in the subject inspection report, dated January 13, 2022, Agencywide Documents Access and Management System (ADAMS) Accession No. ML22013B223.

In the letter transmitting the inspection report, we provided you with the opportunity to address the apparent violations by either attending a predecisional enforcement conference or providing a written response before we made our final enforcement decision. In a letter dated February 11, 2022 (ADAMS Accession No. ML22048B512), you provided a written response to the apparent violation.

Based on the information developed during the investigation and the information you provided in your written response to the inspection report, the NRC has determined that two violations of NRC requirements occurred. These violations are cited in the enclosed Notice of Violation (Notice), and the circumstances surrounding them are described in detail in the subject inspection report. The violations involved the failure to ensure that an individual wore personnel monitoring equipment during radiographic operations, as required by Title 10 of the *Code of Federal Regulations* (10 CFR) 34.47(a), and the failure to read and record the exposure of a direct reading dosimeter at the start of a shift, as required by 10 CFR 34.37(b).

The NRC considers these violations to be significant because of the potential for exposure in excess of regulatory limits and because a radiographer's assistant willfully conducted industrial radiography without the required personnel monitoring equipment and willfully falsified a

licensee daily radiation report record. Therefore, these violations are categorized collectively in accordance with the NRC Enforcement Policy as a Severity Level III problem. The Enforcement Policy can be found on the NRC's website at <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>.

In accordance with the NRC Enforcement Policy, a base civil penalty in the amount of \$16,000 is considered for a Severity Level III problem.

Because your facility is the subject of a willful escalated enforcement action, the NRC considered whether credit was warranted for *Identification* and *Corrective Action* in accordance with the civil penalty assessment process in Section 2.3.4 of the NRC Enforcement Policy. The NRC has determined that *Identification* credit is warranted for the violations because your staff identified the conditions and notified the NRC. The NRC further determined that *Corrective Action* credit is warranted based on the prompt and comprehensive corrective actions you implemented. Your corrective actions to address the violations are documented in NRC Inspection Report 030-35371/2020-001 and in your letter dated February 11, 2022.

Therefore, to encourage identification and prompt and comprehensive correction of violations, I have been authorized, after consultation with the Director, Office of Enforcement, not to propose a civil penalty in this case. However, significant violations in the future could result in a civil penalty. In addition, issuance of this Severity Level III problem constitutes escalated enforcement action that may subject you to increased inspection effort.

The NRC has concluded that information regarding: (1) the reason for the violations; (2) the corrective actions that have been taken and the results achieved; and (3) the date when full compliance was achieved is already adequately addressed on the docket in NRC Inspection Report 030-35371/2020-001 and in your letter dated February 11, 2022. Therefore, you are not required to respond to this letter unless the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice and Procedure," a copy of this letter, the 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. The NRC also includes significant enforcement actions on its website at <http://www.nrc.gov/reading-rm/doc-collections/enforcement/actions>.

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

Sincerely,



Signed by Morris, Scott  
on 04/05/22

Scott A. Morris  
Regional Administrator

Docket No. 030-35371  
License No. 50-27667-01

Enclosure:  
Notice of Violation

cc w/ enclosure:  
Irene Casares  
Radiological Health Physicist II  
Alaska State Public Health Laboratories  
Department of Health & Social Services  
5455 Dr. Martin Luther King Jr. Ave  
Anchorage, Alaska 99507

SUBJECT: KAKIVIK ASSET MANAGEMENT, LLC - NOTICE OF VIOLATION;  
 NRC INSPECTION REPORT 030-35371/2020-001 AND INVESTIGATION  
 REPORT 4-2020-022 - DATED APRIL 5, 2022

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Document: [https://usnrc.sharepoint.com/teams/Region-IV-ACES/ACES S Drive/ENFORCEMENT/\\_EA CASES - OPEN/Kakivik EA-21-100/Final Action/NOV\\_EA-21-100\\_Kakivik.docx](https://usnrc.sharepoint.com/teams/Region-IV-ACES/ACES%20S%20Drive/ENFORCEMENT/_EA%20CASES%20-OPEN/Kakivik%20EA-21-100/Final%20Action/NOV_EA-21-100_Kakivik.docx)

ADAMS: **ML22094A195**

SUNSI Review By: JGK		ADAMS <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Publicly Available <input type="checkbox"/> Non-Publicly Available	<input checked="" type="checkbox"/> Non-Sensitive <input type="checkbox"/> Sensitive	Keyword:	
OFFICE	SES:ACES	C:MIB	TL:ACES	RC	NMSS	OE
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DATE	03/09/22	03/09/22	03/09/22	03/14/22	03/17/22	04/04/22
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DATE	04/01/22	04/04/22	04/05/22			

**OFFICIAL RECORD COPY**

## NOTICE OF VIOLATION

Kakivik Asset Management, LLC  
Anchorage, Alaska

Docket No. 030-35371  
License No. 50-27667-01  
EA-21-100

During an NRC investigation conducted from May 29, 2020, to July 9, 2021, two violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the violations are listed below:

- A. 10 CFR 34.47(a) requires, in part, that the licensee may not permit any individual to act as a radiographer or a radiographer's assistant unless, at all times during radiographic operations, each individual wears, on the trunk of the body, a direct reading dosimeter, an operating alarm ratemeter, and a personnel dosimeter.

Contrary to the above, on February 28, 2020, the licensee permitted an individual to act as a radiographer's assistant during radiographic operations and the individual did not wear, on the trunk of the body, a direct reading dosimeter, an operating alarm ratemeter, and a personnel dosimeter. Specifically, a radiographer's assistant was performing radiography as part of a crew at a temporary job site on the North Slope of Alaska and did not have any of the required personnel monitoring equipment.

- B. 10 CFR 34.47(b) requires, in part, that direct reading dosimeters must be read and the exposures recorded at the beginning and end of each shift, and records must be maintained in accordance with 10 CFR 34.83.

Contrary to the above, on February 28, 2020, the licensee failed to ensure that a direct reading dosimeter was read and the exposure recorded at the beginning and end of each shift and that records were maintained in accordance with 10 CFR 34.83. Specifically, the licensee's radiographer's assistant performed radiography without a direct reading dosimeter and falsified the record to indicate the direct reading dosimeter reading prior to the performance of radiography.

This is a Severity Level III problem (NRC Enforcement Policy Section 6.3.c.4.b).

The NRC has concluded that information regarding: (1) the reason for the violations; (2) the corrective actions that have been taken and the results achieved; and (3) the date when full compliance was achieved is already adequately addressed on the docket in NRC Inspection Report 030-35371/2020-001 and in your letter dated February 11, 2022. However, if the description therein does not accurately reflect your position or your corrective actions, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 within 30 days of the date of the letter transmitting this Notice of Violation. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation; EA-21-100," and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001 with a copy to the Regional Administrator, U.S. Nuclear Regulatory Commission, Region IV, 1600 East Lamar Blvd., Arlington, Texas 76011-4511, and email it to [R4Enforcement@nrc.gov](mailto:R4Enforcement@nrc.gov).

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

Enclosure

If you choose to respond, your response will be made available electronically for public inspection in the NRC Public Document Room or in the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC website at <http://www.nrc.gov/reading-rm/adams.html>. Therefore, to the extent possible, the response should not include any personal privacy or proprietary information so that it can be made available to the public without redaction.

If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request that such material is withheld from public disclosure, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information).

Dated this 5th day of April 2022