



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET SW SUITE 23T85
ATLANTA, GEORGIA 30303-8931**

November 15, 2001

EA 01-242

Miguel P. Vélez & Associates
ATTN: Mr. Miguel Vélez
President
P.O. Box 10791
San Juan, Puerto Rico 00922

SUBJECT: UNAUTHORIZED POSSESSION AND USE OF RADIOACTIVE MATERIALS

Dear Mr. Vélez:

This refers to the inspection conducted on August 30, 2001, at your Tren Urbano, de Diego Station, Puerto Rico, temporary job site. The inspection revealed that in 1998 Redondo Construction Corporation (RCC) entered into a joint venture with Entrecanales, S.A., for the construction of a railway system. The venture, Redondo/Entrecanales, S.E. (RESE), hired your services to use portable moisture/density gauges containing NRC-licensed materials to perform Quality Assurance tests. RESE obtained three gauges under the RCC license for you to use. On March 8, 2000, RCC withdrew from the venture and ceased control over the three gauges owned by RESE. You indicated that on August 29, 2001, you returned the gauges to RESE because you had no further need for them. This means that between March 8, 2000 and August 29, 2001, you possessed and used three portable gauges containing byproduct material consisting of cesium-137 and americium-241 without a valid NRC license.

Please be advised that 10 CFR 30.3 requires, in part, that no person receive, acquire, own, possess or use byproduct material except as authorized in a specific or general license issued pursuant to the provisions of 10 CFR 30. In this case, your company took the appropriate safety measures while the gauges were in your possession and it appears that you believed the gauges were being operated under the RCC license. Therefore, we are not taking enforcement action against you. You are, however, being advised that any future use of NRC-licensed materials without a valid NRC license may subject you to NRC enforcement action. If there is any doubt in the future as to whether any client is properly licensed to possess portable gauges for you to use, please contact us and we will gladly assist you.

If you have any questions regarding this letter, please contact me at (404) 562-4731.

Sincerely,

/RA/
Jay L. Henson, Chief
Nuclear Materials Inspection/Licensing Branch 2
Division of Nuclear Materials Safety

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