



UNITED STATES  
**NUCLEAR REGULATORY COMMISSION**  
REGION I  
475 ALLENDALE ROAD  
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

May 31, 2005

Docket No. 03020029

License No. 29-20646-01

Scott Laudone  
Quality Control Manager  
Tilcon New Jersey  
625 Mt Hope Road  
Wharton, NJ 07885

**SUBJECT:** INSPECTION 03020029/2005001, TILCON NEW JERSEY, WHARTON, NEW JERSEY SITE, LITTLE FERRY, NEW JERSEY SITE, TOTOWA, NEW JERSEY SITE, AND RIVERDALE, NEW JERSEY SITE, AND NOTICE OF VIOLATION

Dear Mr. Laudone:

On May 12, 2005, Jenny Johansen of this office conducted a safety inspection at the above address, 9 Bergen Turnpike, Little Ferry, New Jersey, 859 Riverview Drive, Totowa, New Jersey, and 125 Hamburg Turnpike, Riverdale, New Jersey of activities authorized by the above listed NRC license. The inspection was an examination of your licensed activities as they relate to radiation safety and to compliance with the Commission's regulations and the license conditions. The inspection consisted of observations by the inspector, interviews with personnel, and a selected examination of representative records. The findings of the inspection were discussed with you at the conclusion of the inspection.

Based on the results of this inspection, it appears that your activities were not conducted in full compliance with NRC requirements. A Notice of Violation is enclosed that categorizes the violation by severity level. You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional actions you plan to prevent recurrence. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

Based on our discussions during the inspection it is our understanding that your nuclear gauges are in permanent secured storage at the Totowa, New Jersey site and that you plan to terminate your licensed program and transfer your gauges to the gauge manufacturer or to a NRC or Agreement State license authorized to possess nuclear gauges within 60 days. We have enclosed a NRC Form 314 and a copy of 10 CFR 30.41, the regulation covering, "Transfer of byproduct material," to assist you. Please confirm our understanding in your response to this letter.

Current NRC regulations and the General Policy and Procedure for NRC Enforcement Actions are available at the NRC web site at <http://www.nrc.gov/materials/miau/mat-toolkits.html> and <http://www.nrc.gov/what-we-do/regulatory/enforcement> or by contacting the Government

S. Laudone  
Tilcon New Jersey

2

Printing Office (GPO) toll-free at 1-888-293-6498. The GPO is open from 7:00 a.m. to 9:00 p.m. EST, Monday through Friday (except Federal holidays).

Your cooperation with us is appreciated.

Sincerely,

***Original signed by Sattar Lodhi, Ph.D.***

John D. Kinneman, Chief  
Security and Industrial Branch  
Division of Nuclear Materials Safety

Enclosures:  
Notice of Violation  
NRC Form 314  
10 CFR 30.41

cc:  
Willem Hannema, Environmental Coordinator  
State of New Jersey

S. Laudone  
Tilcon New Jersey

3

Distribution:  
D. J. Holody, RI

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DATE	05/17/2005		05/25/2005					

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## NOTICE OF VIOLATION

Tilcon New Jersey  
Wharton, NJ

Docket No. 03020029  
License No. 29-20646-01

During an NRC inspection conducted on May 12, 2005, one violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

- A. Condition 11.B of License No. 29-20646-01 requires that the Radiation Safety Officer be the named individual.

Contrary to the above, as of May 12, 2005, the individual named as Radiation Safety Officer in Condition 11.B of the license was not employed by the licensee. Specifically, the named individual had left the licensee's employment in February 2004.

This is a Severity Level IV violation (Supplement VI).

Pursuant to the provisions of 10 CFR 2.201, Tilcon New Jersey is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555, with a copy to the Regional Administrator, Region I, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, any response which contests an enforcement action shall be submitted under oath or affirmation.

Your response will be placed in the NRC Public Document Room (PDR) and on the NRC Web site.

Current NRC regulations and the General Policy and Procedure for NRC Enforcement Actions are available at the NRC web site at <http://www.nrc.gov/materials/miau/mat-toolkits.html> and <http://www.nrc.gov/what-we-do/regulatory/enforcement>. Or by contacting the Government Printing Office (GPO) toll-free at 1-888-293-6498. The GPO is open from 7:00 a.m. to 9:00 p.m. EST, Monday through Friday (except Federal holidays). To the extent possible, it should, therefore, not include any personal privacy, proprietary, or safeguards information so that it can be made publically available without redaction. However, if you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be

Notice of Violation  
Tilcon New Jersey

2

placed in the PDR, and provide the legal basis to support your request for withholding the information from the public.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days.

Dated This 31<sup>st</sup> day of May 2005