



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION III  
2443 WARRENVILLE ROAD STE 210  
LISLE, ILLINOIS 60532-4352

AUG 15 2008

Robert W. Galbierz  
Radiation Safety Officer  
City Design Group, Inc.  
115 Branch Street  
St. Louis, MO 63147

Dear Mr. Galbierz:

Enclosed is Amendment No. 02, to your NRC Material License No. 24-32442-01 in accordance with your request. Please note that the changes made to your license are printed in **bold** font.

Please note that License Condition 17, which addresses security criteria for portable nuclear gauges, has been modified in its entirety to incorporate additional security measures. These security measures are based on revisions to 10 CFR Part 30, by the addition of paragraph 30.34(I), "Security requirements for portable gauges," as published in the Federal Register on January 12, 2005, with an effective date of July 11, 2005. The final rule requires a portable gauge licensee to use a minimum to two independent physical controls that form tangible barriers to secure portable gauges from unauthorized removal whenever the portable gauges are not under the control and constant surveillance of the licensee. You should have previously received a copy of this regulatory requirement by mail. This mailing included a revised copy of Appendix H, "Operating, Emergency, and Security Procedures," of NUREG 1556 Volume 1, Revision 1, Consolidated Guidance About Materials Licenses; Program Specific Guidance About Portable Gauge Licenses, dated November 2001, which incorporates these changes.

This amendment authorizes total possession limits on the license for all sealed sources covered by your license, based on the information you provided, during our request by telephone conversation on August 15, 2008. This amendment deletes former License Condition 13 which addressed possession limits but is no longer needed since possession limit are now addressed in License Items 8.A. and 8.B. This amendment also modifies current License Condition 13. D. regarding leak testing criteria, to reflect our current standard license conditions.

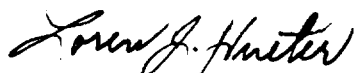
Please review the enclosed document carefully and be sure that you understand all conditions. If there are any errors or questions, please notify the U.S. Nuclear Regulatory Commission, Region III office at (630) 829-9887 so that we can provide appropriate corrections and answers.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be available electronically for public inspection in the NRC Public Document Room

R. W. Galbierz

or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). The NRC's document system is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Sincerely,



Loren J. Hueter  
Materials Licensing Branch

License No. 24-32442-01  
Docket No. 030-36218

Enclosure: Amendment No. 02