



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

September 10, 1997

EA No. 97-286

Mr. Daniel Winters  
President  
Selrite Milworks Corporation  
581 Rahway Avenue  
Union, New Jersey 08083

**SUBJECT: EXERCISE OF ENFORCEMENT DISCRETION (NRC Inspection Report No. 99990001/97-08)**

Dear Mr. Winters:

This refers to the NRC inspection conducted from May 12 through 23, 1997 to review the circumstances associated with an event which occurred in Union, New Jersey in May 1997. The event involved the removal of generally licensed "EXIT" signs containing tritium (a radioactive material regulated by the NRC) from property at 1200 Commerce Avenue, in Union, New Jersey, a property that you previously owned and occupied, and then sold to Carco Corporation (Carco). The three "EXIT" signs were removed from the site by a teenager and friends during the demolition of the building on the property. The signs were then taken home by the teenager. One of the signs was broken which resulted in contamination of the teenager and his friends, as well as the home of the teenager.

As described in the NRC inspection report sent to you on June 18, 1997, an apparent violation of NRC requirements was identified during the inspection. On July 10, 1997, a Predecisional Enforcement Conference was conducted with you, as well as staff from Abex and Carco, to discuss the violation, its causes, and corrective actions. When you sold the building to Carco in February 1997, at the time of the sale, you apparently were unaware that the signs contained NRC generally licensed material, since you were not informed of such when the former occupant of the building, Abex Corporation, sold the building to you in 1987. You did not provide Carco a copy of the NRC regulations applicable to the possession of these "EXIT" signs, nor did you inform the NRC of the transfer. Afterwards, Carco, also apparently unaware that the signs contained NRC generally licensed material, did not remove the devices for proper disposal when the building located at the site was demolished.

Notwithstanding your lack of knowledge, by the fact of your possession of this radioactive material, you were a licensee of the NRC subject to 10 CFR Part 31. These regulations prohibited transfer of the devices to Carco without providing Carco with a copy of 10 CFR Part 31, and without informing the NRC of the manufacturer's name and model number of the device transferred, the name and address of the transferee, and the name and/or position of the individual who may constitute a point of contact between the NRC and the transferee. As a result of your failure to meet these requirements, the signs subsequently were not properly disposed of, which resulted in the contamination event.

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The NRC considered enforcement action in this case. However, since you were apparently unaware that the signs contained radioactive material licensed by the NRC, the NRC has decided to exercise enforcement discretion, pursuant to Section VII.B.6 of the NRC enforcement policy, and not issue a Notice of Violation for this matter. A Notice of Violation is being issued on this date to Abex Corporation.

No response to this letter is required. In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure, will be placed in the NRC Public Document Room (PDR). Your cooperation with us is appreciated.

Sincerely,



Hubert J. Miller  
Regional Administrator

Docket No. 99990001  
General License

Enclosures:

1. Letter and Notice of Violation to Abex Corporation
2. Letter to Carco Corporation

cc w/encls:  
State of New Jersey

**Selrite Milworks Corporation**

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