

TRANSMISSION VERIFICATION REPORT

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NAME : USNRC RIII  
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TEL :  
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NRC FORM 386 (RIII)  
(4-2004)



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION III  
2443 Warrenville Road, Suite 210  
Lisle, Illinois 60532-4352

TELEFAX TRANSMITTAL

DATE: 09/16/2009 NUMBER OF PAGES: 4  
(including this page)

SEND TO: Joe H. Hilty, VP, RSO

LOCATION: Hilty Quarries, Inc.

FAX NUMBER: 660 - 885 - 3935  **VERIFY BY CALLING SENDER**

FROM: Jose Macatangay *JM*  
(SENDER)

TELEPHONE NUMBER: 630 - 829 - 9892 FAX NUMBER: 630 - 515 - 1078

If you do not receive the complete fax transmittal, please contact the sender as soon as possible at the telephone number provided above.

MESSAGE



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MESSAGE

**NOTICE**

This message is intended only for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential, or exempt from disclosure under applicable law. If the reader of this message is not the intended recipient or the employee responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify the sender immediately by telephone and return the original to the above address, by U.S. Mail. Thank you.

**JOSE D. MACATANGAY**  
**MATERIALS LICENSING BRANCH**  
**UNITED STATES NUCLEAR REGULATORY COMMISSION**

REGION III  
2443 WARRENVILLE ROAD STE 210  
LISLE, ILLINOIS 60532-4352  
OFFICE: (630)-829-9892 FAX: (630) 515-1078

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**CONVERSATION RECORD**      Revision discussed with Mr. Hilty.      | TIME ON | DATE 08/24/2009

**ACTUALLY FAXED?** Yes; he will be re-submitting in entirety      09/16/2009

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NAME OF PERSON(S) CONTACTED	ORGANIZATION	TELEPHONE NO.
Joe H. Hilty, VP/RSO	Hilty Quarries, Inc.	O: 660-885-8135 F: 660-885-3935

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**SUBJECT**  
License No.: Pending      Control No.: 318375

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**SUMMARY**

A. During our review of your application dated July 27, 2009, it appeared that your application had not been completely prepared in accordance with the guidance in NUREG 1556, Vol. 1, Rev. 1, "Consolidated Guidance about Materials Licenses: Program-Specific Guidance about Portable Gauge Licenses, dated November 2001." This omission has resulted in an incomplete application that contains numerous restrictive elements which we believe you would find difficulty complying with, if we were to include them in your license.

Please resubmit your application for a new license in entirety, focusing on the responses and commitments in Appendix B to the aforementioned NUREG.

Please note that certain sections of this NUREG have been modified since its last revision, as noted below:

1. We now require a total possession limit for each radionuclide requested, as well as providing the "per source" activity you need, which should match the Sealed Source and Device Registry certificate procured by the vendor. Please provide this information and it is acceptable to request more sealed sources than you may actually need immediately, to allow for some growth, so long as the request is reasonable and realistic.
2. You will not be able to change and name your RSO internally; NRC must do that for you via the amendment process. For future reference only, please include the name and qualifications of your proposed RSO and a written, signed and dated statement that stipulates your proposed RSO accepts the RSO position and understands the duties and responsibilities associated with the position. Each proposed RSO must be qualified in accordance with the guidance in NUREG 1556, Vol 1, Rev. 1, Section 8.7, Item 7: Individual(s) Responsible for Radiation Safety Program and Their Training and Experience.

B. Specifically, a brief listing of the restrictive elements identified in your application dated July 27, 2009, is as follows, and were discussed with you during our phone conversation on August 24, 2009:

1. In Item 8, "Training for Individual(s) Working In or Frequenting Restricted Areas," you indicated that training would be provided by Troxler. This would restrict your training through Troxler only. **Please respond by requesting "Before using licensed materials, authorized users will have successfully completed one of the training courses described in Criteria in the section entitled 'Training for Individuals Working In or Frequenting Restricted Areas' in NUREG-1556, Vol. 1, Rev. 1, 'Consolidated Guidance about Materials Licenses: Program-Specific Guidance about Portable gauge Licenses,' dated September 2001."**
2. In Item 10.1, "Personnel Monitoring Program," you committed to using Troxler Radiation Monitoring Services. This restricts your dosimetry vendor to Troxler only. **Please respond by requesting either "Maintain, for inspection by NRC, documentation demonstrating that unmonitored individuals are not likely to received, in one year, a radiation dose in excess of 10 percent of the allowable limits in 10 CFR Part 20" or "We will provide dosimetry processed and evaluated by an NVLAP-approved processor that is exchanged at a frequency recommended by the processor."**
3. In Item 10.2, "Radiation Detection Instruments," you committed to using the TroxAlert survey meter. This would restrict your survey meter to the TroxAlert only. **Please respond by requesting "We will either possess and use, or have access to and use, a radiation survey meter that meets the Criteria in the section entitled 'Radiation Safety Program – Instruments' in NUREG-1556, Vol. 1, Rev. 1, dated November 2001."**
4. In Item 10.3, "Leak Testing," you committed to using Troxler Leak Test Kit 3880. This would restrict you to using the Troxler Leak Test Kit 3880 only. **Please respond by requesting "Leak tests will be performed at intervals approved by NRC or an Agreement State and specified in the Sealed Source and Device Registration Sheet. Leak tests will be performed by an organization authorized by NRC or an Agreement State to provide leak testing services for other licensees or using leak test kit supplied by an organization authorized by NRC or an Agreement State to provide leak test kits to other licensees and according to the kit supplier's instructions."**

C. The following were noted as additional deficiencies within your application:

1. In NRC Form 313, Item 3, "Address of Use", you stated "temporary job sites", "Item 2" which was "Hilty Quarries, Inc., PO Box 407, Clinton, MO 64735", and "190 NW 251 Road, Clinton, MO 64735." In the NRC guidance document, NUREG 1556, Vol. 1, Rev. 1, Section 8.3, Item 3 indicates that most applicants need to provide two types of information: (1) description of storage, use, and dispatch locations (2) specification of whether they intend to use the portable gauge at temporary job sites. The PO Box cannot be used a storage/use location. **Please provide the physical address of your storage location(s) as appropriate.**
2. In Item 7, "Individual(s) Responsible for Radiation Safety Program and Their Training Experience," you proposed Joe Hilty as the Radiation Safety Officer but provided no proof of training. **Please provide evidence that Mr. Hilty has successfully completed the manufacturer's radiation safety training.**

3. In Item 10.6, "Operating and Emergency Procedures," specific procedures missing were for the portable gauge field storage when not in use and the non-routine maintenance procedures (if to be performed by your company or a statement indicating that vendor will provide these services). These procedures need not be submitted with your application.

**Please respond by requesting either "We will implement and maintain the operating and emergency procedures in Appendix H of NUREG-1556, Vol. 1, Rev. 1, 'Consolidated Guidance about Materials Licenses: Program-Specific Guidance about Portable Gauge Licenses,' dated November 2001, and provide copies of these procedures to all gauge users and at each job site" or "Operating and emergency procedures will be developed, implemented, and maintained, and will meet the criteria in the section entitled 'Radiation safety Program – Operating and Emergency Procedures' in NUREG-1556, Vol. 1, Rev. 1, 'Consolidated Guidance about Materials Licenses: Program-Specific Guidance about Portable Gauge Licenses,' dated November 2001."**

**Please also specify whether you intend to perform non-routine maintenance activities yourself (and note that additional, substantial information will be required if you do) or stipulate that you will send the gauges to the vendor for all non-routine maintenance.**

We will be unable to continue processing your request until we receive this information. In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically in the NRC Public Document Room or from the Publicly Available Record (PARS) component of NRC's document system (ADAMS) accessible from the NRC Website at <http://www.nrc.gov/reading-rem/adams.html>.

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**ACTION REQUIRED**

**Please submit a written response within 30-days or contact me to arrange an alternate response date. Be sure to reference control number 318375 to facilitate correct processing of your response.**

**If we do not receive a written response within 30-days, please note that we may void this request in order to enable you to prepare a quality application without time constraints. This would be done without prejudice to the resubmission of your request at a later date. Upon receipt of your response we will resume our review. Address your written response to my attention at the above address.**

**Please note that a "Void" is an administrative procedure that puts your new license application "On Hold" (takes it out of our active casework database) until you reactivate it via submission of a written response.**

**Upon receipt of your response we will resume our review.**

**PLEASE DIRECT ANY QUESTIONS YOU MAY HAVE TO ME AT (630) 829-9892.**

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NAME OF PERSON DOCUMENTING CONVERSATION	SIGNATURE	DATE
Jose Macatangay		September 16, 2009

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