

May 21, 2010

United States Nuclear Regulatory Commission  
Region 1  
475 Allendale Road  
King of Prussia, Pennsylvania 19406-1415

SUBJECT: RESPONSE TO VIOLATIONS FROM REPORT NUMBER 03037345/2010001  
LABORATORY TESTING SERVICES, LLC, LICENSE NUMBER 06-31191-01  
DOCKET NUMBER 03037345

Dear Mr. Kinneman:

This letter is in direct response to the apparent violations noted in your letter dated May 12, 2010. I offer the following information to these violations for consideration of clarification.

Violation 1

Have a named Radiation Safety Officer as required by Condition 12 of the license.

Response to violation 1

The Radiation Safety Officer, Shawn Machnicz, was the authorized RSO for the company. Although his employment status was terminated in June 2008, he still maintained his position as a principle owner in the company and thus was still the designated point of contact and RSO for Laboratory Testing Services, LLC. During this time, Laboratory Testing Services, LLC employed Scott Reilly, a certified RSO to oversee the duties required under the direct supervision of Mr. Machnicz. Mr. Machnicz's ownership in the company was bought out in January 2010, at which time a formal request for the new RSO, Neil Russo, was filed with the NRC and accepted in the letter dated February 26, 2010

Although the proper paper work was not filed in regards to the named RSO, I want to ensure you that at no time were Laboratory Testing Services, LLC ever without an RSO. We will ensure, with the assistance of our new RSO, Neil Russo, who has 15 years experience as an RSO that this oversight will not be an issue in the future.

Violation 2

Confine use and storage of portable nuclear gauges to the location authorized on the license.

Response to violation 2

Due to exhausting financial hardships and the inability to maintain rents at 1552 North Avenue, and after several attempts to resolve the situation with the current landlord, it was determined that Laboratory Testing Services, LLC was to vacate the premises within 30 days. Because of the rapid turnaround time needed to secure and move to a new location, and without disrupting the business of our clients, the formal request that needed to be submitted to the NRC to move the gauges to the new location was overlooked. While I understand that this is a direct violation of the license, I would like to ensure you that at no time were the safety and security of the gauges overlooked.

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As seen during the inspection of March 24-25, 2010, the current location of 36 River St. provides an adequate storage facility where the gauges are maintained and at no time is the safety and security of the gauges compromised. The new facility was amended to the license in a letter dated February 26, 2010.

In the future, if the need arises to move to another location, a formal request to the NRC requesting a move will be a first priority and not overlooked again.

Violation 3

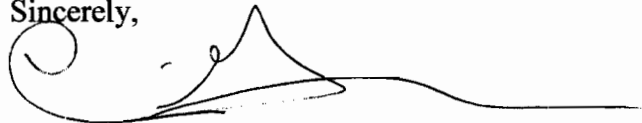
Obtain written consent from the NRC before transferring ownership of the Laboratory Testing Services, LLC license, as required by 10 CFR 30.34(b).

Response to violation 3

On March 11, 2010 HAKS applied for a new license that would take over LTS operation at the new location of 36 River St., Bridgeport, CT 06604. This request was approved in a letter dated April 9, 2010 with the new license number 06-31405-01.

In conclusion, we concede that the apparent violations were a direct result of poor communication and accept the responsibility for such actions. We further state that every attempt to avoid this or any issues in the future will be taken. It is our intention to maintain compliance with the license as required and to accept the decisions of the NRC. We apologize for the infractions and welcome any further assistance or inspections that may be required in the future. Furthermore, we appreciate the understanding and willingness to work together to resolve these issues. We look forward to your response.

Sincerely,

A handwritten signature in black ink, appearing to read 'Christopher Genduso', with a long horizontal flourish extending to the right.

Christopher Genduso  
Director of Operations  
HAKS Material Testing Group