UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
612 EAST LAMAR BOULEVARD, SUITE 400
ARLINGTON, TEXAS 76011-4125

September 7, 2010

Department of the Army
Portland District, Corps of Engineers
ATTN: Joshua Patton
Radiation Safety Officer
8010 NW Saint Helens Road
Portland, Oregon 97210-3699

SUBJECT: LICENSE AMENDMENT **(CORRECTED COPY)**

Please find enclosed corrected copy of Amendment No. 14 to License No. 36-14803-02. **This corrected copy updates license conditions 8 and 9 according to current licensing guidance.** An environmental assessment for this action is not required, since this action is categorically excluded under 10 CFR 51.22(c)(14)(viii). You can contact me at 817-860-8189 if you have any questions about this license.

NRC expects licensees to conduct their programs with meticulous attention to detail and a high standard of compliance. Because of the serious consequences to employees and the public that can result from failure to comply with NRC requirements, you must conduct your radiation safety program according to the conditions of your NRC license, representations made in your license application, and NRC regulations. In particular, note that you must:

1. Operate by NRC regulations 10 CFR Part 19, "Notices, Instructions and Reports to Workers: Inspection and Investigations," 10 CFR Part 20, "Standards for Protection Against Radiation," and other applicable regulations.

2. Notify NRC in writing of any change in mailing address.

3. By 10 CFR 30.36(d) and/or license condition, notify NRC, promptly, in writing:

   a. When you decide to terminate all activities involving materials authorized under the license whether at the entire site or any separate building or outdoor area;

   b. If you decide not to acquire or possess and use authorized material; or

   c. When no principal activities under the license have been conducted for a period of 24 months.

4. Request and obtain a license amendment before you:

   a. Change Radiation Safety Officers;

   b. Order byproduct material in excess of the amount, radionuclide or form authorized on the license;

c. Add or change the areas or address(es) of use identified in the license application or on the license; or

d. Change the name or ownership of your organization.

5. Submit a complete renewal application or termination request at least 30 days before the expiration date on your license. You will receive a reminder notice approximately 90 days before the expiration date. Possession of radioactive material after your license expires is a violation of NRC regulations.

NRC will periodically inspect your radiation safety program. Failure to conduct your program according to NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC may result in enforcement action against you. This could include issuance of a notice of violation; imposition of a civil penalty; or an order suspending, modifying, or revoking your license as specified in the NRC Enforcement Policy. The NRC Enforcement Policy is available on the following internet address: http://www.nrc.gov/reading-rm/doc-collections/enforcement/.

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 or from the NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at http://www.nrc.gov/reading-rm/adams.html.

Thank you for your cooperation.

Sincerely,

/RA/

Roberto J. Torres, Senior Health Physicist
Nuclear Materials Safety Branch B

Docket: 030-19774
License: 36-14803-02
Control: 472031

Enclosure: As stated

U.S. NUCLEAR REGULATORY COMMISSION

Amendment No. 14

MATERIALS LICENSE

(CORRECTED COPY)

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 36, 39, 40, and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

Licensee	In accordance with letter dated October 28, 2008 and conversation record dated January 14, 2009
1. Department of the Army Portland District, Corps of Engineers	3. License number 36-14803-02 is amended in its entirety to read as follows:
2. 8010 NW Saint Helens Road Portland, Oregon 97210-3699	4. Expiration date December 31, 2012
	5. Docket No. 030-19774 Reference No.

6. Byproduct, source, and/or special nuclear material	7. Chemical and/or physical form	8. Maximum amount that licensee may possess at any one time under this license
A. Cesium-137	A. Sealed sources (TN Technologies, Inc., Model 57157C)	A. 500 millicuries per source and 1,000 millicuries total
B. Cesium-137	B. Sealed sources (Ohmart/VEGA Model A-2102)	B. 250 millicuries per source and 500 millicuries total

9. Authorized use:

A. For use in measurements of dredge material density using compatible TN Technologies, Inc., Model 5202 fixed gauging devices in accordance with the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or with an Agreement State and which have been distributed in accordance with a Commission or Agreement State specific license authorizing distribution to persons specifically authorized by a Commission or Agreement State license to receive, possess, and use the devices.

B. For use in measurements of dredge material density using compatible Ohmart/VEGA, Model SR-2 fixed gauging devices in accordance with the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or with an Agreement State and which have been distributed in accordance with a Commission or Agreement State specific license authorizing distribution to persons specifically authorized by a Commission or Agreement State license to receive, possess, and use the devices.

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CONDITIONS

10. Licensed material may be used or stored only at the licensee's facilities located at:

    A. 8010 NW Saint Helens Road, Portland, Oregon, and

    B. Only aboard the dredges Yaquina and Essayons while docked in port or while operating in U.S. territorial and inland waters.

11. Licensed material shall be used by, or under the supervision of individuals who have received the training described in the letter dated October 28, 2008 (ML083659421). The licensee shall maintain records of individuals designated as users for 3 years following the last use of licensed material by the individual.

12. A. The Radiation Safety Officer (RSO) for this license is Joshua Patton.

    B. Before assuming the duties and responsibilities as RSO for this license, the individual shall have successfully completed one of the training courses described in Criteria in Section 8.7.1 of NUREG-1556, Volume 4, dated October 1998.

13. A. Sealed sources shall be tested for leakage and/or contamination at intervals not to exceed the intervals specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or under equivalent regulations of an Agreement State.

    B. In the absence of a certificate from a transferor indicating that a leak test has been made within the intervals specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission under 10 CFR 32.210 or under equivalent regulations of an Agreement State, prior to the transfer, a sealed source received from another person shall not be put into use until tested and the test results received.

    C. Sealed sources need not be tested if they contain only hydrogen-3; or they contain only a radioactive gas; or the half-life of the isotope is 30 days or less; or they contain not more than 100 microcuries of beta and/or gamma emitting material or not more than 10 microcuries of alpha emitting material.

    D. Sealed sources need not be tested if they are in storage and are not being used. However, when they are removed from storage for use or transferred to another person, and have not been tested within the required leak test interval, they shall be tested before use or transfer. No sealed source shall be stored for a period of more than 10 years without being tested for leakage and/or contamination.

    E. The leak test shall be capable of detecting the presence of 0.005 microcurie (185 becquerels) of radioactive material on the test sample. If the test reveals the presence of 0.005 microcurie (185 becquerels) or more of removable contamination, a report shall be filed with the U.S. Nuclear Regulatory Commission in accordance with 10 CFR 30.50(c)(2), and the source shall be removed immediately from service and decontaminated, repaired, or disposed of in accordance with Commission regulations. The report shall be filed within 5 days of the date the leak test result is known with the U.S. Nuclear Regulatory Commission, Region IV, 612 East Lamar Boulevard, Suite 400, Arlington, Texas 76011-4125, ATTN: Director, Division of Nuclear Materials Safety. The report shall specify the source involved, the test results, and corrective action taken.

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F. Tests for leakage and/or contamination, limited to leak test sample collection, shall be performed by the licensee or by other persons specifically licensed by the U.S. Nuclear Regulatory Commission or an Agreement State to perform such services. The licensee is not authorized to perform the analysis. Analysis of leak test samples must be performed by persons specifically licensed by the Commission or an Agreement State to perform such services.

G. Records of leak test results shall be kept in units of microcuries and shall be maintained for 3 years.

14. Sealed sources containing licensed material shall not be opened or sources removed from source holders by the licensee, except as specifically authorized.

15. The licensee shall conduct a physical inventory every 6 months, or at other intervals approved by the U.S. Nuclear Regulatory Commission, to account for all sealed sources and/or devices received and possessed under the license. Records of inventories shall be maintained for 5 years from the date of each inventory, and shall include the radionuclides, quantities, manufacturer's name and model numbers, and the date of the inventory.

16. A. Each gauge shall be tested for the proper operation of the on-off mechanism (shutter) and indicator, if any, at intervals not to exceed 6 months or at such longer intervals as specified in the certificate of registration issued by the U.S. Nuclear Regulatory Commission pursuant to 10 CFR 32.210 or the equivalent regulations of an Agreement State.

B. Notwithstanding the periodic on-off mechanism (shutter) and indicator test, the requirement does not apply to gauges that are stored, not being used, and have the shutter lock mechanism in a locked position. The gauges exempted from this periodic test shall be tested before use.

17. A. Installation, initial and subsequent radiation surveys, relocation, removal from service and placing fixed gauging devices in storage when not in use shall be performed only by individuals who have completed the training specified in the letter dated October 28, 2008 (ML083659421) or by persons specifically licensed by the U.S. Nuclear Regulatory Commission or an Agreement State to perform such services.

B. The following services shall not be performed by the licensee: dismantling of a fixed gauging device, alignment of a fixed gauging device, replacement of a fixed gauging device with a new or different type of fixed gauging device, disposal of a fixed gauging device containing sealed source(s) and non-routine maintenance or repair of components related to the radiological safety of the gauge (i.e., the sealed source, the source holder, source drive mechanism, on-off mechanism (shutter), shutter control, shielding). These services shall be performed only by persons specifically licensed by the U.S. Nuclear Regulatory Commission or an Agreement State to perform such services.

18. The licensee may initially mount a gauge if permitted by the certificate of registration issued by the U.S. Nuclear Regulatory Commission or an Agreement State and under the following conditions:

A. the gauge must be mounted in accordance with written instructions provided by the manufacturer.

B. the gauge must be mounted in a location compatible with the "Conditions of Normal Use" and "Limitations and/or Other Considerations of Use" in the certificate of registration issued by the U.S. Nuclear Regulatory Commission or an Agreement State.

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C. the on-off mechanism (shutter) must be locked in the off position, if applicable, or the source must be otherwise fully shielded.

D. the gauge must be received in good condition (i.e., package was not damaged).

E. the gauge must not require any modification to fit in the proposed location.

Mounting does not include electrical connection, activation or operation of the gauge. The source must remain fully shielded and the gauge may not be used until it is installed and made operational by a person specifically licensed by the U.S. Nuclear Regulatory Commission or an Agreement State to perform such operations.

19. A. The licensee may maintain, repair, or replace device components that are not related to the radiological safety of the device containing byproduct material and that do not result in the potential for any portion of the body to come into contact with the primary beam or in increased radiation levels in accessible areas.

B. The licensee may not maintain, repair, or replace any of the following device components: the sealed source, the source holder, source drive mechanism, on-off mechanism (shutter), shutter control, or shielding, or any other component related to the radiological safety of the device, except as provided otherwise by specific condition of this license.

20. Prior to initial use and after installation, relocation, dismantling, alignment, or any other activity involving the source or removal of the shielding, the licensee shall assure that a radiological survey is performed to determine radiation levels in accessible areas around, above, and below the gauge with the shutter open. This survey shall be performed only by persons authorized to perform such services by the U.S. Nuclear Regulatory Commission or an Agreement State.

21. The licensee shall operate each device containing licensed material within the manufacturer's specified temperature and environmental limits such that the shielding and shutter mechanism of the source holder are not compromised.

22. The licensee shall assure that the shutter mechanism of each device is locked in the closed position during periods when a portion of an individual's body may be subject to the direct radiation beam. The licensee shall review and modify, as appropriate, its "lock-out" procedures whenever a new device is obtained to incorporate the device manufacturer's recommendations.

23. Except for maintaining labeling as required by 10 CFR Part 20, or 71, the licensee shall obtain authorization from the U.S. Nuclear Regulatory Commission before making any changes in the sealed source, device, or source-device combination that would alter the description or specifications as indicated in the respective certificate of registration issued either by the Commission pursuant to 10 CFR 32.210 or by an Agreement State.

24. The licensee is authorized to transport licensed material in accordance with the provisions of 10 CFR Part 71, "Packaging and Transportation of Radioactive Material."

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25. Except as specifically provided otherwise in this license, the licensee shall conduct its program in accordance with the statements, representations, and procedures contained in the documents, including any enclosures, listed below. The U.S. Nuclear Regulatory Commission's regulations shall govern unless the statements, representations, and procedures in the licensee's application and correspondence are more restrictive than the regulations.

A. Application dated August 19, 2002 (ML022820605)
B. Facsimile dated December 6, 2002 (ML030790328)
C. Letter dated October 28, 2008 (ML083659421)

FOR THE U.S. NUCLEAR REGULATORY COMMISSION

Date: September 7, 2010

By: **/RA/**

Roberto J. Torres, Senior Health Physicist
Nuclear Materials Safety Branch B
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Arlington, Texas 76011