



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
2100 RENAISSANCE BOULEVARD, SUITE 100
KING OF PRUSSIA, PA 19406-2713

June 7, 2017

EA-17-031

Carmen Betancourt
President
Mini-Masters Concrete Services, Inc.
PO Box 2409
Toa Baja, PR 00951

SUBJECT: NRC INSPECTION REPORT NO. 99990001/2017001, MINI-MASTERS
CONCRETE SERVICES, INC., SITES IN DORADO AND CAROLINA, PUERTO
RICO, AND NOTICE OF VIOLATION

Dear Ms. Betancourt,

This letter refers to the inspection conducted on January 31 and February 2, 2017, at your former facilities in Dorado and Carolina, Puerto Rico, and to subsequent telephone conversations between you and Randolph Ragland of this office on February 21 and March 24, 2017, and with Rita Maldonado, Executive Vice President, on May 18, 2017. Additional information provided in emails to Mr. Ragland from Jaime Ruiz Ortero, dated February 11, 2017, and Rita Maldonado, on May 3, 2017, was also examined as part of the inspection. The inspection was limited to a review of the status of the four Ronan RLL-1 gauges that were determined to be held by you under a general license in accordance with Title 10 of the *Code of Federal Regulations* (CFR), Section 31.5. Our inspection included visual inspections and radiological surveys of your former facilities in Dorado and Carolina, Puerto Rico. The findings of the inspection were discussed with Rita Maldonado by telephone on May 18, 2017.

On October 13, 2016, the NRC was informed that a company known as Prime Metals USA, Inc., (Prime Metals) transported a load of scrap metal from Puerto Rico to South Korea, and that this scrap metal contained two (2) Ronan Engineering Company (Ronan) RLL-1 density gauges, with serial numbers 206575A and 204115A. These gauges were subsequently transported to, identified at, and controlled at the Hyundai Steel plant in Incheon, South Korea. We were informed that South Korea wanted these gauges removed from the country and that Prime Metals was seeking financial assistance for the return of those gauges.

Ronan records showed that from 2002-2005, it distributed four Ronan RLL-1 density gauges with serial numbers 206575A, 204115A, 201021A, and 206200A, to a company known as Master Aggregates Toa Baja Corporation (Master Aggregates). Based on a review of bankruptcy records and discussions with Rita Maldonado, we learned that Master Aggregates underwent bankruptcy in 2014, and Mini-Masters Concrete Services, Inc. (Mini-Masters) emerged as the surviving entity and held all remaining assets previously held by Master Aggregates, including the four Ronan RLL-1 density gauges.

During the inspection, you informed us that Mini-Masters is currently in bankruptcy proceedings; that you, personally, were not aware of the use of radioactive gauges at Mini-Masters sites; that individuals who would have been familiar with the gauges are no longer employed by Mini-Masters; and that due to your bankruptcy, Mini-Masters lost track of the gauges. You further reported that in 2015, you sold the majority of metal at your Dorado and Carolina, Puerto Rico,

sites to a scrap metal dealer known as Industrias Hermanos Cabrera, and that it is likely that all four of the Ronan RLL-1 gauges were removed from the sites as scrap metal.

In an attempt to locate the two missing gauges, we conducted site walkovers and performed radiation surveys of selected areas at the Dorado and Carolina, Puerto Rico, sites. Based on our visual inspections and radiation surveys, we concluded that it is unlikely that the missing gauges are still present at these sites and that it is more likely that the gauges were removed from the site as scrap metal.

In response to your communications with NRC and Prime Metals, you informed us that as a corrective action, you drafted a "settlement agreement" and offered Prime Metals \$10,000 to pay for costs associated with the proper disposal of the gauges located in South Korea. Prime Metals USA Inc., accepted your offer and agreed to have the two gauges shipped from South Korea to Ronan's facility in Florence, Kentucky, where Ronan can make arrangements to properly dispose of the gauges. The agreement was signed by both parties and on May 3, 2017, Mini-Masters completed a wire transfer of funds to Prime Metals.

The NRC's primary interest in this matter is to ensure that Mini-Masters meets its obligation to properly transfer or dispose of these licensed materials. With respect to the two missing gauges (i.e., Ronan RLL-1 gauges with serial numbers 201021A and 206200A), we expect that if or when these gauges are located, you will take similar actions to ensure that these gauges are properly transferred and disposed of.

Based on the results of this inspection, the NRC has determined that one Severity Level IV violation of NRC requirements occurred. The violation was evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on NRC's Web site at (<http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>). The violation is being cited in the enclosed Notice because it was identified by the NRC.

The NRC has concluded that information regarding: (1) the reason for the violation; (2) the corrective actions that have been taken and the results achieved; and (3) the date when full compliance will be achieved is already adequately addressed on the NRC docket. Therefore, you are not required to respond to this letter unless the description herein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

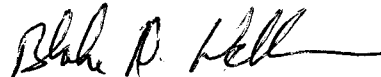
In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure(s), and your response, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy or proprietary, information so that it can be made available to the Public without redaction.

C. Betancourt

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If you have any questions regarding this matter, please contact Randolph Ragland of my staff at 610-337-5083.

Sincerely,

A handwritten signature in black ink, appearing to read "Blake D. Welling", with a long horizontal flourish extending to the right.

Blake D. Welling, Chief
Commercial, Industrial, R&D, and
Academic Branch
Division of Nuclear Materials Safety

Docket No. 99990001

Enclosure: Notice of Violation

cc w/encl: Commonwealth of Puerto Rico

NOTICE OF VIOLATION

Mini-Masters Concrete Services, Inc.
Toa Baja, Puerto Rico

Docket No. 99990001
EA No. 17-031

During an NRC inspection conducted on January 31, 2017, February 2, 2017, and continued in-office until May 18, 2017, one violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

10 CFR 31.5 states, in part, that any person who acquires, receives, possesses, uses or transfers byproduct material in a device pursuant to a general license (c)(6) shall not abandon the device, and (c)(8)(i) shall transfer or dispose of the device containing byproduct material only by export of the device in accordance with 10 CFR 110; by transfer to another general licensee; by transfer to a person authorized to receive the device under a specific license issued in accordance with 10 CFR Part 30 and 10 CFR Part 32; by transfer to a person authorized under 10 CFR 30 for waste collection, or equivalent regulations of an Agreement State; or by transfer of the device to a specific licensee as approved by NRC.

Contrary to the above, between 2000 and 2005, Master Aggregates, Inc., now known as Mini-Masters Concrete Services, Inc., acquired byproduct material in four (4) devices pursuant to a general license and, in 2014 or 2015, abandoned the devices or failed to ensure that they were transferred or disposed of in a manner authorized by 10 CFR 31.5(c). Specifically,

- Two Ronan RLL-1 density gauges, Serial Nos. 206575A and 204115A, each containing 0.45 millicuries of Cs-137, and held under a general license by Mini-Masters Concrete Services, Inc. were either abandoned, stolen, or improperly transferred to a scrap metal dealer who was not licensed to receive or dispose of these devices. On September 13, 2016, these devices were discovered in a scrap metal shipment at the Hyundai Steel Plant in Incheon, South Korea, and these devices had not been exported in accordance with 10 CFR Part 110; and
- Two Ronan RLL-1 density gauges, Serial Nos. 201021A and 206200A, each containing 0.45 millicuries of Cs-137, and held under a general license by Mini-Masters Concrete Services, Inc., were either abandoned, stolen, or improperly transferred to another entity, and these gauges remain unaccounted for.

This is a Severity Level IV violation (Enforcement Policy Section 6.7)

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence and the date when full compliance will be achieved is already adequately addressed on the docket. However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of

Notice of Violation
Mini-Masters Concrete Services, Inc.

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Violation, (EA-17-031)" and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555 with a copy to the Regional Administrator, Region I, within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

If you contest this enforcement action, you should also provide a copy of your response to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, any response which contests an enforcement action shall be submitted under oath or affirmation.

If you choose to respond, your response will be made available electronically for public inspection in the NRC Public Document Room and in the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web Site at <http://www.nrc.gov/reading-rm/adams.html>. Therefore, to the extent possible, the response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days of receipt.

Dated this 7th day of June 2017