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July 22, 1991

VIA FEDERAL EXPRESS

Mr. John Kinneman  
United States Nuclear Regulatory Commission  
Region I  
475 Allendale Road  
King of Prussia, PA 19406

Re: Cambridge Medical Technology Corporation

Dear Mr. Kinneman:

This will confirm our telephone conversation of today wherein you agreed to participate telephonically in a meeting of interested parties called by Joseph Carroll, to discuss Chem-Nuclear's proposal for addressing radioactive materials/wastes at the Cambridge Medical Technology Corporation building located in Billerica, Massachusetts. This meeting is scheduled to begin at approximately 9:30 a.m. on July 25, 1991. Other participants in the meeting will be: Joseph Carroll of Cambridge Medical Technology Corporation; John Myers of Shawmut Bank, the mortgagee of the property; Frank Conrad, the escrow agent; John Bender of Chem-Nuclear; and Anette Lewis, counsel to Shawmut Bank.

Enclosed, per your request, are copies of the following materials which were previously provided by Mr. Carroll to Marc Roberts of the Nuclear Regulatory Commission and to the Bank:

- 1) June 19, 1991 letter from Mr. Carroll to Mr. Conrad with attachments (including the June 5, 1991 contract between Cambridge Medical Technology Corporation and Chem-Nuclear Systems, Inc. signed by Mr. Carroll on June 19, 1991);
- 2) July 18, 1991 letter from Mr. Carroll to Mr. Conrad suggesting that a meeting be held of all interested parties.

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Thank you for your willingness to participate in the  
upcoming meeting.

Very truly yours,



Anette Seltzer Lewis

Encl.

cc: Mr. John Bender, Chem-Nuclear (w/out encl.)  
Mr. Joseph Carroll, Cambridge Medical (w/out encl.)  
Mr. Frank Conrad, Davis, Malm & D'Agostine (w/out encl.)  
Mr. John Myers, Shawmut Bank (w/out encl.)  
Mr. Marc Roberts, NRC (w/out encl.)

AP-3463/s

Cambridge Medical Technology Corp.  
c/o 575 Park Avenue, New York, NY 10021  
Tel: (212) 838-4900 Fax (212) 644-2734

July 18, 1991

Fax: (617) 523-6215

Mr. Frank P. Conrad  
Davis, Malm & D'Agostine  
One Boston Place  
Boston, MA 02108

Subject: ~~Chem~~: nuclear Systems Inc/Proposal SP-89-0240-PO2A/PO2B

Dear Frank,

I refer to your July 18th response to my letter of June 19th on the above.

I think your suggestion that we have a meeting with you and the appropriate Shawmut Bank officer (who I assume is Mr. John Myers) is a good one. We can ask Mr. Bender at Chem-Nuclear and Mr. Koberus at the NRC to be in telephone attendance. I would suggest either the afternoon of Wednesday, July 24th or the morning of Thursday, July 25th, whichever is most convenient for you and Mr. Myers. I'll call tomorrow morning to try to work out some appropriate times.

Your letter raises three issues which I wish to address.

First, Cambridge Medical Technology has received and signed only one "proposal" from Chem-Nuclear Systems Inc, the document dated June 4, 1991 plus a June 12, 1991 addendum, copies of which were enclosed in my above June 19th letter. John Bender's April 29th letter to me which you mention is a discussion document outlining their initial understanding of the scope of the assignment (which was modified.) If there is an impression that there are two or three "proposals" or "follow-ups" floating around, I suggest we shoot them down now to avoid confusion.

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Secondly, what is being proposed is exactly what was effected in our 1989 and 1990 approved "Removal Claim": Chem-Nuclear Systems prepared the work program, conducted the required radiological surveys and performed on-site waste removal and packaging and limited decontamination activities, and AdCo Services Inc. removed the radioactive waste off-site.

Your letter appears suggest that there is a new found distinction between the separate individual activities - planning, before and after radiological surveys, on-site waste removal and packaging, limited decontamination, and physical removal of waste off-site - required to effect a "removal" of our radioactive waste and the "Removal Claim". These issues were addressed and settled last year.

As outlined in Chem-Nuclear's proposal, we again need to:

- Prepare a work plan to be approved by NRC covering decontamination, waste disposal and the before and after radiological surveys;
- Remove the remaining small amount of radioactive "trash" stored in two hoods and the compactor room (as noted in Chem-Nuclear's 1990 report) and perform limited decontamination efforts; and
- Conduct radiological surveys before and after the waste removal and decontamination.

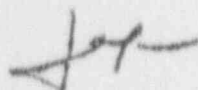
Thirdly, if "concerns exist as to both the viability of the proposed project and the status of the property upon completion" I think a meeting would be useful. While these concerns go well beyond your immediate role as escrow agent, as CMTC's major creditor and CEO I would welcome the opportunity to share and discuss them with you and the Shawmut.

I do not understand the "viability" issue. Sooner or later, we have to

I do appreciate that the Bank may be anxious not to continue to have a property on their hands which has radioactive waste stored on-site. While it is unlikely, the fact remains that the radiological survey could show that we do not currently meet satisfy unrestricted use limits. We would, however, also know exactly how long we would have to wait before we did meet these limits and therefore apply for decommissioning.

Our conclusion is that we would like to know the exact status of this asset in order to be able to assess properly how best to preserve its value so we might as well remove the on-site stored radioactive waste now. While these concerns do not have anything to do with the definition of "Removal Claim," your advice and counsel would be appreciated.

Sincerely,



Joseph P. Carroll  
President

cc: Mr. John A. Bender  
Mr. John Myers, ATT: KEIB/ OREG Division  
Shawmut Bank N.A.  
One Federal Street, 33rd Floor  
Boston, MA 02211  
Mr. Mark Roberts  
U.S. Nuclear Regulatory Commission, Region 1  
475 Allendale Road  
King of Prussia, PA 19406