

September 10, 1998

Docket No. 99990001
EA No. 98-369

License No. General Licence

Paul Harencak
Vice President of Compliance & Procurement
Facile Holdings, Inc.
185 Sixth Avenue
Paterson, NJ 07509-2477

SUBJECT: INSPECTION NO. 99990001/98-014 AND NOTICE OF VIOLATION

Dear Mr. Harencak:

On June 24, 1998, Sattar Lodhi of this office conducted a safety inspection at the above address of activities authorized by the general license in 10 CFR 31.5(a). The inspection was a review of events leading to disposal of a static eliminator (Nuclestat Model A-2003) containing 20.6 millicuries of americium-241, as ordinary trash. The findings of the inspection were discussed with you and members of your staff at the conclusion of the site inspection.

In addition to the above referenced static eliminator, our records and the records of the manufacturer indicate that three similar static eliminators, each containing 27 millicuries of americium-241, were shipped to your facility by NRD, Inc., under the general license in 10 CFR 31.5(a) on June 21, 1984. From your correspondence dated August 5, 1998, it appears that you are unable to account for these devices.

A licensee is responsible for the security and control of all licensed material acquired by the licensee until the material is transferred to another authorized recipient in accordance with applicable regulatory requirements. Failure to maintain control over licensed material can result in serious consequences to employees and the public. The NRC takes prompt and vigorous enforcement actions when dealing with licensees who do not achieve the necessary meticulous attention to detail and the high standard of compliance which the NRC expects of its licensees.

Based on the results of this inspection, it appears that your activities were not conducted in full compliance with NRC requirements. A Notice of Violation is enclosed that categorizes the violation by severity level in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," (Enforcement Policy), NUREG 1600. The violation described in the attached Notice of Violation concerns three static eliminators that were acquired by you and are still unaccounted for, and a fourth one that was improperly disposed of by you. Violations of this type are generally classified as Severity Level III violations. However, after carefully considering: (1) your timely actions to retrieve the improperly disposed of device and promptly return it to the manufacturer; (2) your prompt and thorough search of your facility to identify any other generally licensed device(s) in your possession; (3) your search for any documentation related to the missing devices; (4) changes in your organization, facilities and personnel during the 16 year period since you first acquired the devices; and (5) the potential for harm to public

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health and safety that these devices pose, the violation is classified at Severity Level IV in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," (Enforcement Policy), NUREG 1600. Similar violations of this type in the future may result in additional enforcement action.

Please note that this enforcement action does not relieve you of your responsibility for the three devices which are not accounted for under NRC regulations. You should not miss any opportunity that may arise to locate any of the records related to these devices or the devices themselves.

From your correspondence and discussions with the inspector, we understand that you have taken or will take steps to prevent a similar violation from occurring in the future. These steps include: (1) inventory of all devices containing radioactive materials during your biweekly safety tours of your facilities; (2) extra care to maintain all records related to generally licensed devices in your possession; (3) ensuring that these records are current and are available at all times; (4) instructing all personnel involved in the acquisition of new devices or materials, of the need to maintain accurate records at all times; and (5) providing training to personnel in procedures for handling and disposal of devices containing radioactive material. Please inform this office in writing if our understanding differs from yours.

Based on our understanding, we have concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence is already adequately addressed by you. 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 Section 2.790 of NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and any reply will be placed in the Public Document Room (PDR).

Your cooperation with us is appreciated.

Sincerely,

Original signed by John D. Kinneman

John D. Kinneman, Chief
Nuclear Materials Safety Branch 2
Division of Nuclear Materials Safety

Enclosure:
Notice of Violation

cc:
State of New Jersey

P. Harencak
Facile Holdings, Inc.

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