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April 13, 1998

Richard L. Bangart, Director
Office of State Programs
United States Nuclear
Regulatory Commission
Washington, D.C. 20555

Re: 170 West Providencia Street, Burbank, California
Radiological Risk Assessment of October 1997

Dear Mr. Bangart,

Please be advised that this firm represents Mr. Joseph Thomson, trustee for the Thomson Family Trust in connection with the residual radioactive contamination identified on the 170 West Providencia Street property. Attached to this letter as Exhibit A please find correspondence from Donald E. Bunn, Chief of Compliance and Enforcement of the Radiologic Health Branch of the State Department of Health Services, recommending that we contact you in connection with the Radiologic Risk Assessment pertaining to the 170 West Providencia Street property.

The 170 West Providencia Street property was occupied by Isotopes Specialties Company ("ISC") and Research Chemicals, Inc. ("RSI") from approximately 1958 through 1961. ISC conducted radioactive source manufacture, research, and radioactive waste disposal operations under license of the Atomic Energy Commission. Similarly, RSI conducted thorium and rare earth materials research under license of the Atomic Energy Commission. ISC and RSI vacated the 170 West Providencia Street property in the early 1960's. Mr. Thomson subsequently purchased the 170 West Providencia Street property in 1966, after being assured by Mr. Richardson, the then owner, that the property was clean to the "highest standards of the government."

The Nuclear Regulatory Commission ("NRC") conducted a survey of the 170 West Providencia Street property in February 1996 as part of its Oak Ridge National Laboratories ("ORNL") review of licensed sites terminated after 1965. Apparently, the 170 West Providencia Street property was identified by ORNL as a candidate for review because the NRC could not locate a site decommissioning report

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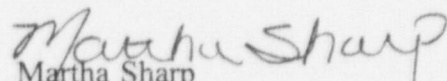
Richard L. Bangart, Director
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Page 2

for the property. Although former ISC employees recall the NRC and/or the State of California performing a survey of the site prior to license termination which required ISC to decontaminate the site, neither the NRC nor the State of California have evidence of such a survey.

Although neither the NRC nor the State of California have agreed to assume regulatory oversight for the residual radioactive contamination identified at the 170 West Providencia Street property, Mr. Bunn has indicated that he will work with Mr. Thomson and the NRC in obtaining closure from the NRC and the State of California. Mr. Bunn is currently reviewing the Radiologic Risk Assessment to determine if we can obtain closure for the 170 West Providencia Street property based upon the fact that the Risk Assessment concludes that the annual radiation dose to a facility employee is 8.2 mrem/yr in the primary building and 4.5 mrem/yr in the bay b building and the current NRC standards set forth in 10 CFR 20.1402 provide that a site will be considered acceptable for "unrestricted use" if the total dose to a average member of the critical group does not exceed 25 mrem/yr. Attached to this letter as Exhibit B please find the Radiologic Risk Assessment for your review.

I look forward to hearing from you regarding NRC closure for the 170 West Providencia Street property based upon the Radiologic Risk Assessment. If you have any questions or need additional information please contact me.

Very truly yours,


Martha Sharp
for Loeb & Loeb LLP

Enclosures

cc: Mr. Joseph Thomson (w/o encl.)
Malissa Hathaway McKeith, Esq. (w/o encl.)
Mr. Donald E. Bunn (w/o encl.)

NRC

DEPARTMENT OF HEALTH SERVICES

714/744 P STREET
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(916) 323-2756

April 7, 1998

Ms. Martha Sharp
LOEB & LOEB LLP
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Los Angeles, California 90017-2475

PROPERTY AT 170 WEST PROVIDENCIA STREET, BURBANK, CALIFORNIA

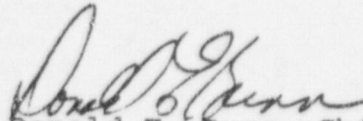
Dear Ms. Sharp:

We have received the document entitled, "Revised Draft, October, 1997, Radiological Assessment of the 170 West Providencia Street Site, Burbank California." Mr. Edgar Bailey, Chief of the Radiologic Health Branch, has directed his staff to evaluate this document in keeping with the commitments we made to you in our letter dated, February 10, 1998. You will be informed of the results of our evaluation when completed.

In addition, we recommend you forward a copy of the October, 1997, document, above, to Richard L. Bangart, Director, Office of State Programs, Nuclear Regulatory Commission (NRC), Washington, D.C. 20555 for their evaluation. We will coordinate the results of our evaluation with the NRC and assist them, consistent with the position taken by the California Department of Health Services regarding sites formerly licensed by NRC. This position was presented to NRC Chairperson Shirley Ann Jackson on January 20, 1998.

If you have any questions, please contact Steve Hsu, Chief of Radiological Assessment, Radiologic Health Branch, at (916) 322-4797.

Sincerely,



Donald E. Bunn, Chief
Compliance and Enforcement
Radiologic Health Branch

cc: Richard L. Bangart, Director,
Office of State Programs
Nuclear Regulatory Commission
Washington, D.C. 20555