



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PA 19406-1415

September 20, 2000

Docket No. 04008980

License No. SMB-1541

Edele Hovnanian
Sr. Vice President
Hovnanian Industries
1 Hovchild Plaza
4000 Route 66
Tinton Falls, NJ 07753

SUBJECT: HERITAGE MINERALS, INC.

Dear Ms. Hovnanian:

On October 19, 1999, the NRC issued an Environmental Assessment and Finding of No Significant Impact for the proposed activities in the "Final Status Survey Plan for License Termination of Heritage Minerals NRC License SMB-1541". Since that time we have been in contact with your staff to discuss plans to complete site decommissioning and dispose of licensed material.

During the August 8, 2000 inspection of HMI, the status of facility decommissioning was discussed with the Site Manager, Mr. J. Lord. We were informed that contract proposals for site remediation and transportation of contaminated materials were in the final stages of review, and that major work activities will begin when the decommissioning contractor is selected. Although some minimal remediation was performed by HMI staff, to date we have not seen any further progress in selection of a contractor to continue the outstanding decommissioning. In accordance with 10 CFR 40.42(h)(1), site decommissioning shall be completed no later than 24 months following initiation of decommissioning. For HMI, this date is October 19, 2001.

Please provide us your schedule for contract selection, decommissioning activities, final status surveys, and license termination. We would appreciate receiving the schedule within 30 days. Should you have any questions, we will be glad to meet with or discuss them with you. Please contact me at (610) 337-5200 or Craig Gordon, NRC Project Manager for HMI at (610) 337-5216.

Thank you for your cooperation.

Sincerely,

Original signed by Marie Miller

Decommissioning and Laboratory Branch
Division of Nuclear Materials Safety

cc:

E. Hovnanian
Hovnanian Industries

2

John F. Lord, Manager
Anthony J. Thompson, Esquire
The Honorable Michael Fressola
State of New Jersey

E. Hovnanian
Hovnanian Industries

3

DOCUMENT NAME: C:\smb-1541.09202000.wpd

To receive a copy of this document, indicate in the box: "C" = Copy w/o attach/encl "E" = Copy w/ attach/encl "N" = No copy

OFFICE	DNMS/RI	N	DNMS/RI		DNMS/RI			
NAME	CgordonCZG		RBellamyRRB1		PangburnGCP			
DATE	09/12/00		09/12/00		09/12/00			

OFFICIAL RECORD COPY