

July 16, 1998

APAC - Virginia, Inc.
ATTN: Mr. Michael A. McKee
Secretary/Treasurer
2786 Martinsburg Pike
Stephenson, VA 22656

SUBJECT: TRANSMITTAL AND EXPLANATION OF AMENDMENT TO LICENSE NO. 45-24880-01 (REFERENCE CONTROL NO. 257911; DOCKET NO. 030-29650)

Dear Mr. McKee:

Enclosed please find Amendment No. 2 to your NRC materials license. Changes to the license are printed in **BOLD** typeface.

Please review the document carefully and be sure that you understand all conditions. If there are any errors or questions, please notify this office (ATTN: Ms. Diane Heim at (404) 562-4723) so that we can provide appropriate corrections and answers.)

Please note that as part of this amendment, in accordance with 10 CFR 30.36, effective February 15, 1996, the expiration date of your license has been extended by a period of five years. Your new expiration date is stated in Item 4 of the license. Unless your license has been terminated, you must conduct your program involving byproduct materials in accordance with the conditions of your NRC license, representations made in your license application, and NRC regulations. In particular, note that you must:

1. Operate in accordance with NRC regulations 10 CFR 19, "Notice, Instructions and Reports to Workers; Inspections and Investigations;" 10 CFR 20, "Standards for Protection Against Radiation," and other applicable regulations.
2. Notify NRC, in writing, within 30 days:
 - a. when an authorized user or Radiation Safety Officer permanently discontinues performance of duties under the license or has a name change; or
 - b. when the licensee's mailing address changes (no fee is required if the location of byproduct material remains the same).

3. In accordance with 10 CFR 30.36(d) and/or license condition, notify NRC, promptly, in writing, and request termination of the license:
 - a. when you decide to terminate all activities involving materials authorized under the license; or
 - b. when you decide to terminate licensed activities in a separate building or outdoor area identified on your license.
4. Request and obtain a license amendment before you:
 - a. change Radiation Safety Officer;
 - b. order byproduct material in excess of the amount, or a different radionuclide or form, other than authorized on the license;
 - c. add to or change the areas of use or address (or addresses) of use identified in the license application or on the license; or
 - d. change ownership of your organization.
5. Submit a complete renewal application with proper fee or termination request at least 30 days before the expiration date of your license. You will receive a reminder notice approximately 90 days before the expiration date. Possession of byproduct material after your license expires is a violation of NRC regulations. Transfer of licensed materials must be consistent with 10 CFR 30.41, 40.51 or 70.42, as applicable. A license will not normally be renewed except on a case-by-case basis, in instances where licensed material has never been possessed or used.

In addition, please note that NRC Form 313 requires the applicant, by his/her signature, to verify that the applicant understands that all statements contained in the application are true and correct to the best of the applicant's knowledge. The signature on the application should be the licensee or certifying official rather than a consultant.

You will be periodically inspected by NRC. Failure to conduct your program in accordance with NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC will result in enforcement action against you. This could include issuance of a Notice of Violation, or imposition of a Civil Penalty, or an order suspending, modifying or revoking your license as specified in the most current version of the "General Statement of Policy and procedures for NRC Enforcement Actions," NUREG-1600. Since serious consequences to employees and the public can result from failure to comply with NRC requirements, prompt and vigorous enforcement action will be taken against those who do not achieve the necessary attention to detail and standard of compliance expected of licensees.

APAC - Virginia, Inc.

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Thank you for your cooperation.

Sincerely,

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Orysia Masnyk Bailey, License Reviewer
Division of Nuclear Materials Safety

- Enclosures: 1. Amendment No. 2
License No. 45-24880-01
- 2. NRC Form 313

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|-----------|--------------------|--------------------|--------------------|--------------------|---------|---------|---------|---------|---------|
| OFFICE | RII:DNIS | RII:DNIS | RII:DNIS | | | | | | |
| SIGNATURE | <i>[Signature]</i> | <i>[Signature]</i> | <i>[Signature]</i> | <i>[Signature]</i> | | | | | |
| NAME | Orysia Bailey | Decker | Chasey | | | | | | |
| DATE | 7/14/98 | 7/15/98 | 7/16/98 | 7/16/98 | 7/16/98 | 7/16/98 | 7/16/98 | 7/16/98 | 7/16/98 |
| COPIES | YES NO | YES NO | YES NO | YES NO | YES NO | YES NO | YES NO | YES NO | YES NO |

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MATERIALS LICENSE

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter I, Parts 30, 31, 32, 33, 34, 35, 36, 39, 40, and 70, and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, possess, and transfer byproduct, source, and special nuclear material designated below; to use such material for the purpose(s) and at the place(s) designated below; to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified below.

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| <p style="text-align: center;">Licensee</p> <p>1. APAC - Virginia, Inc. dba/Valley Asphalt Products, Inc. 2. 2786 Martinsburg Pike Stephenson, Virginia 22656-0339</p> | <p>In accordance with letter dated May 5, 1998</p> <p>3. License number 45-24880-01 is amended in its entirety to read as follows:</p> <p>4. Expiration date December 31, 2001 (extended)</p> <p>5. Docket No. 030-29650 Reference No.</p> |
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| <p>6. Byproduct, source, and/or special nuclear material</p> <p>A. Cesium 137</p> <p>B. Americium 241</p> | <p>7. Chemical and/or physical form</p> <p>A. Sealed source registered pursuant to 10 CFR 32.210 or an equivalent Agreement State regulation</p> <p>B. Sealed neutron source registered pursuant to 10 CFR 32.210 or an equivalent Agreement State regulation</p> | <p>8. Maximum amount that licensee may possess at any one time under this license</p> <p>A. No single source to exceed 407 MBq (11 millicuries)</p> <p>B. No single source to exceed 3.7 GBq (100 millicuries)</p> |
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9. Authorized Use:

A. and B. Sealed source(s) contained in compatible portable gauging devices (registered pursuant to 10 CFR 32.210 or an equivalent Agreement State regulation) for measuring properties of materials.

CONDITIONS

10. Licensed material may be used at the licensee's facilities located four miles north of the corporate limits of Winchester, Virginia on State Route 11 at the intersection of County Road 664 and at temporary job sites of the licensee anywhere in the United States where the U.S. Nuclear Regulatory Commission maintains jurisdiction for regulating the use of licensed material.
11. The Radiation Protection Officer for this license is William C. Walker.

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**MATERIALS LICENSE
SUPPLEMENTARY SHEET**

License Number

45-24880-01

Docket or Reference Number

030-29650

Amendment No. 2

12. Licensed material shall be used by, or under the supervision and in the physical presence of, William C. Walker or individuals who have been trained in the licensee's standard operating and emergency procedures and have satisfactorily completed at least one of the following:
- A. The device manufacturer's training course for safe use and handling of portable gauging devices containing licensed material, or
 - B. A portable gauge training program conducted in accordance with the provisions of an NRC or Agreement State license.
13. Sealed sources containing licensed material shall not be opened or removed from the gauging device by the licensee.
14. A. Sealed sources shall be tested for leakage and/or contamination at intervals not to exceed 6 months or at such other intervals as specified by the certificate of registration referred to in 10 CFR 32.210.
- B. In the absence of a certificate from a transferor indicating that a leak test has been made within 6 months prior to the transfer, a sealed source or detector cell received from another person shall not be put into use until tested.
- C. Sealed sources need not be leak tested if they contain not more than 100 microcuries of beta and/or gamma emitting material or are in storage and are not being used. However, when they are removed from storage for use or transferred to another person, and have not been tested within the required leak test interval, they shall be tested before use or transfer. No sealed source shall be stored for a period of more than 10 years without being tested for leakage and/or contamination.
- D. The leak test shall be capable of detecting the presence of 0.005 microcurie of radioactive material on the test sample. If the test reveals the presence of 0.005 microcurie or more of removable contamination, a report shall be filed with the U.S. Nuclear Regulatory Commission in accordance with 10 CFR 30.50(b)(2), and the source shall be removed immediately from service and decontaminated, repaired, or disposed of in accordance with Commission regulations. The report shall be filed within 5 days of the date the leak test result is known with the U. S. Nuclear Regulatory Commission, Region II, Division of Nuclear Materials Safety, 61 Forsyth Street, S.W., Suite 23T85, Atlanta, Georgia 30303. The report shall specify the source involved, the test results, and corrective action taken.
- E. The licensee is authorized to collect leak test samples for analysis by Troxler Electronic Laboratories, Inc. Alternatively, tests for leakage and/or contamination may be performed by persons specifically licensed by the Commission or an Agreement State to perform such services.
15. The licensee may transport licensed material in accordance with the provisions of 10 CFR Part 71, "Packaging and Transportation of Radioactive Material."
16. The licensee shall conduct a physical inventory every 6 months to account for all sources and/or devices received and possessed under the license.

**MATERIALS LICENSE
SUPPLEMENTARY SHEET**

License Number

45-24880-01

Docket or Reference Number

030-29650

Amendment No. 2

17. In addition to the possession limits in Item 8, the licensee shall further restrict the possession of licensed material to quantities below the minimum specified 10 CFR 30.35(d) for establishing decommissioning financial assurance.
18. Each portable nuclear gauge shall have a lock or outer locked container designed to prevent unauthorized or accidental removal of the sealed source from its shielded position. The gauge or its container must be locked when in transport, storage or when not under the direct surveillance of an authorized user.
19. Any cleaning, maintenance, or repair of the gauge(s) that requires removal of the source rod shall be performed only by the manufacturer or by other persons specifically licensed by the Commission or an Agreement State to perform such services.
20. Except as specifically provided otherwise in this license, the licensee shall conduct its program in accordance with the statements, representations, and procedures contained in the documents including any enclosures, listed below. The Nuclear Regulatory Commission's regulations shall govern unless the statements, representations and procedures in the licensee's application and correspondence are more restrictive than the regulations.
- A. Application dated November 19, 1986
- B. Letter (with attachments) dated November 15, 1991
- C. Letter dated May 5, 1998 [change of ownership]

FOR THE U.S. NUCLEAR REGULATORY COMMISSION

ORYSIA MASNYK BAILEY

DATE JUL 16 1998

BY

Orysia Masnyk Bailey

Region II, Division of Nuclear Materials Safety
61 Forsyth Street, Suite 23T85
Atlanta, GA 30303

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