



B + B DREDGING CORP.

10594 N. DAWNFLOWER PT.

P.O. BOX 819

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September 10, 1996

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, D.C. 20555

Re: Reply to a notice of violation, License Number 09-30205-01, NRC Inspection Report No. 09-30205-01/96-01

Dear Sir or Madam:

We are in receipt of your letter dated August 22, 1996 referencing a violation of the above referenced license, Condition No. 16. Condition No. 16 of the referenced license requires that the gauge be tested for the proper operation of the on-off mechanism and indicator at no longer than six-month intervals.

As a result of Mr. Wiedeman's June 30 inspection the violation notification claims that we did not test the unit for proper operation of the on-off mechanism within the required time frame. The Notice of Violation letter also claims that B+B Dredging Corp. between November 1984 and June 20, 1996 did not inspect for the proper operation of the on-off mechanism of the gauge.

First, in 1984, B+B Dredging Corp, the Licensee, did not own the vessel 'Columbus' (formerly Esperance III), the gauge, nor was the corporation incorporated at that time. We should not be held liable for the permit conditions of a gauge which B+B and its owners did not have in their possession in 1984. B+B applied for a license January 24, 1995 and received a license from the NRC on June 22, 1995. We were under the impression that license requirements would go into affect from the date of issue of an initial license. In addition, contrary to the claim that B+B did not test the on-off mechanism on the gauge, from the date of the permit, we have tested the mechanism repeatedly up to the date of this letter.

Each year, B+B Dredging Corp. performs several maintenance dredging jobs for the U.S. Army Corps of Engineers in the Great Lakes. Since the date of licensure we utilize the gauge for each job performed (most contracts are between 1 and 2 months), and turn the gauge off when not in use. We perform radiation measurements around the gauge with our TN Technologies radiation meter to assure acceptable levels per the license conditions. We estimate that the on-off mechanism has been tested in the vicinity of five times since the date of licensure which is in excess of the required time intervals of the license.

The license does not indicate that a report is to be filed upon testing of the on-off mechanism. To my recollection the NRC inspector did not reveal to me that B+B was in violation. In addition I told him that I personally turn the unit off at the end of each job and test radiation levels. My impression is that there may be a misunderstanding regarding the testing of the on-off mechanism and I sincerely offer my apologies. If there is any additional information I can provide to your office regarding this violation please contact us, so that this matter can be cleared up in an expeditious manner.

Sincerely,

B+B Dredging Corp.

Hans B. Blomberg
Radiation Safety Officer

cc: Regional Administrator, Region II

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