

Advanced Medical Systems, Inc.

121 North Eagle Street • Geneva, Ohio 44044
(216) 456-5005 FAX (216) 456-5526

June 10, 1996

Ms. Cynthia D. Pederson, Director
Division of Nuclear Materials Safety
U.S. Nuclear Regulatory Commission
801 Warrenville Road
Lisle, Illinois 60532-4351

RE: Building Recovery Project
Advanced Medical Systems, Inc. (License No. 34-19089-01)

Dear Ms. Pederson:

The purpose of this letter is to solicit the USNRC's authorization to proceed on a comprehensive Building Recovery Project at the Advanced Medical Systems, Inc. (AMS) facility on London Road. This project is subsequent to and consistent with the AMS "Strategic Plan for the London Road Facility" (Revision 2, March 26, 1996), and demonstrates our desire to honor our previous regulatory commitments in a proactive and well-managed fashion.

Enclosed are one (1) bound and one (1) unbound copy of Report No. 94009/G-6125, "Building Recovery Project Proposal". We believe the project described therein presents a viable and timely means of resolving the issues raised in the Strategic Plan in regard to the sealed sources, the bulk cobalt, the solid waste, the radiological stability of the WHUT Room, the hydrological stability of the basement, and decommissioning funding issues for the recovered building that concern both AMS and the USNRC. In addition, the physical inventory question, emergency plan issues, on-going and pending licensing issues, and long-range strategic planning (e.g., after the Building Recovery Project is complete) are also addressed.

Included in our proposal is a brief description of the AMS facility and its planned operations, the reason why AMS wishes to implement the Building Recovery Project, a description of the Project's twelve-point scope of work, a proposed project schedule, and the proposed mechanism whereby the project will be funded. As you will see during your review of our proposal, we are asking the USNRC to release a portion of the funds AMS has committed for decommissioning the London Road facility to support the commercial disposal costs. Once the project is complete, there will be significantly reduced radiological risk at the facility, license commitment will more accurately reflect AMS's on-going operational activities, compliance costs will be lower, routine personnel exposures will be lower, and AMS will be subject to reduced regulatory scrutiny.

Your prompt attention to this matter is crucial since the Building Recovery Project Proposal is possible only because AMS was presented with a "window of opportunity" from a waste broker (e.g., the broker's contract will be valid for a specified time period only).¹ If USNRC authorization to proceed is delayed beyond that time limit, AMS may no longer be in a position to initiate the project.

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It is also important that all twelve of the tasks described in the proposal be permitted to go forward, since our final goals will only be achieved when the entire project is complete.² If USNRC concurrence on only a portion of our proposal is forthcoming, it is not likely that AMS will be able to initiate the project.

USNRC License No. 34-19089-01 is currently under timely renewal. Therefore, we are assuming that the Building Recovery Project, once authorized, is to be performed under the provisions of that license and its associated radiation safety program. However, since AMS wishes to institute significant changes in the radiation protection program in order to improve its applicability and auditability, timely USNRC action on our November 9, 1995, revised license renewal application would simplify the process. In any event, immediately upon your acceptance of our proposal and our execution of a contract with the waste broker, AMS will submit a request to amend our existing license to permit disposal of the sources and solid waste, and a time line for completing the rest of the twelve-point program.

If you have any questions or if I can provide you with additional information, please call me at 216/466-8005. I am looking forward to your timely response and acceptance of our proposal.

Sincerely,



DAVID CESAR
Vice President and Treasurer

DC/cs

Attachments

cc: Robert Meschter, RSO
Dwight Miller, Esq., Stavole & Miller
Carol Berger, C.H.P., IEM
Mike Weber, USNRC Region III

¹ We will transmit this date to the USNRC as soon as AMS and the broker have completed contract negotiations.

² For example, if AMS were authorized to dispose of its sealed sources but not all of its solid waste, it would not be possible to decontaminate the basement. If the basement cannot be decontaminated, any incursion of water into the area will require another financially-devastating clean-up effort. If such an event occurred, AMS could not possibly fund it.