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June 30, 2006

BY U.S FIRST CLASS MAIL

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Naperville, IL 60563

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Laidlaw Transit, Inc. doing business as
Laidlaw Education Services
818 West 7th Street
Los Angeles, CA 90017

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Re: Notice of Violation of the Safe Drinking Water and Toxic Enforcement Act of 1986
(Proposition 65), Section 25249.6 of the California Health and Safety Code, for
Exposing Passengers on Diesel School Buses to Diesel Engine Exhaust Without a
Warning

Dear Mr. Benson:

Communities for a Better Environment ("CBE") is an environmental health and justice non-profit organization dedicated to promoting clean air, clean water and the development of toxin-free communities. CBE has a long-standing interest in reducing health hazards to the public posed by toxic chemicals.

1865-017a

This letter constitutes notice that the entities listed below have violated and continue to violate provisions of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code sections 25249.5 *et. seq.* Specifically, these entities have violated and continue to violate the warning requirement at section 25249.6 of the California Health and Safety Code, which provides, "No person in the course of doing business shall knowingly and intentionally expose any individual to a chemical known to the state to cause cancer or reproductive toxicity without first giving clear and reasonable warning to such individual..."

Alleged Violators:

Laidlaw Transit, Inc. doing business as Laidlaw Education Services;
Laidlaw Transit Inc.;
Laidlaw Transit Services Inc.;
Laidlaw Transit Management Company, Inc.;
Laidlaw Transportation Management, Inc.

School buses owned and operated by these entities in the State of California emit diesel engine exhaust, a chemical known to the State to cause cancer. The State of California listed diesel engine exhaust as a carcinogen on the Proposition 65 list in 1990, effective October 1, 1991. On each and every day from October 1, 1991 through the present, these entities have exposed and continue to expose all passengers on the buses they operate within the State of California to high levels of diesel engine exhaust, a toxic chemical emitted by the entities' diesel buses. Exposure has occurred through inhalation of the diesel engine exhaust from the buses. In addition, components of diesel engine exhaust may have precipitated out of the air and been ingested or absorbed through passengers' skin.

Because diesel engine exhaust is listed in Proposition 65 as a cancer causing chemical, pursuant to Health and Safety Code § 25249.6 these entities were, and are, required to provide clear and reasonable warnings to all passengers on their buses before exposing the passengers on the bus to diesel engine exhaust emitted by their diesel buses. The warnings must state that the diesel buses emit a chemical known by the State of California to cause cancer. Pursuant to Health and Safety Code section 25249.7(d), CBE intends to bring suit in the public interest against the above named entities sixty days hereafter to correct the violation occasioned by the failure to warn all passengers on the buses of the exposure to diesel engine exhaust.

Pursuant to 22 California Code of Regulations § 12903(b)(1), attached is a copy of "The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary," a summary of Proposition 65 prepared by the Office of Environmental Health Hazard Assessment of the California Environmental Protection Agency.

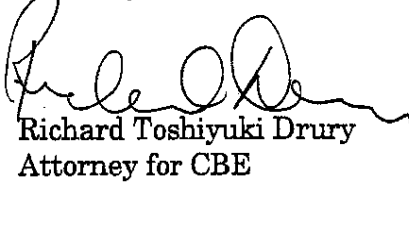
Pursuant to Health and Safety Code § 25249.7(d)(1), the undersigned also include the attached Certificate of Merit, which certifies that the undersigned have consulted with one or more persons with relevant and appropriate experience or expertise who has or have reviewed facts, studies, or other data regarding the exposure to the listed chemical that is the subject of this notice, and that, based on that information, the undersigned believe there is a reasonable and meritorious case. Factual information sufficient to establish the basis of this Certificate of Merit is included with the notice that is served on the Attorney General and is provided to that office in confidence, not to be disclosed except according to law.

While violations are occurring throughout the State of California, the noticing parties believe, but at this time are unable to confirm whether, violations are occurring in all of the 58 counties in California. Therefore, pursuant to 22 California Code of Regulations § 12903(c)(3), the noticing parties are providing this notice to the district attorney for each of the 58 counties in California. Further, the noticing parties provide this notice to the California Attorney General and the city attorneys for the cities of Los Angeles, San Diego, San Francisco and San Jose.

CBE is located at 1440 Broadway, Suite 701, Oakland, CA 94612, telephone (510) 302-0430. CBE is represented in this matter by the law firm of Adams Broadwell Joseph & Cardozo. All communications concerning this matter should be directed to:

Shana Lazerow
Communities for a Better Environment
1440 Broadway, Suite 701
Oakland, CA 94612
Telephone: (510) 302-0430, ext. 18
Facsimile: (510) 302-0437

Sincerely,



Richard Toshiyuki Drury
Attorney for CBE

RTD:bh
Enclosures

cc: (without "Proposition 65: A Summary" attachment):

Attorney General of California
(with attached confidential factual information supporting Certificate of Merit)
Los Angeles City Attorney
San Diego City Attorney

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ccs: continued

City Attorney of San Francisco
San Jose City Attorney
District Attorneys for California's 58 Counties
(see attached certificate of service)

CERTIFICATE OF MERIT
Health & Safety Code Section 25249.7(d)

I, Richard Drury, declare:

1. This Certificate of Merit accompanies the attached notice of violation in which it is alleged that the parties identified in the notice have violated Health & Safety Code section 25249.6 by failing to provide clear and reasonable warnings.
2. I am an attorney representing Communities for a Better Environment.
3. I have consulted with one or more persons with relevant and appropriate experience or expertise who has reviewed facts, studies, or other data regarding the alleged exposure to the listed chemical that is the subject of the action.
4. Based on the information obtained through those consultations, and on all other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiffs' case can be established and the information did not prove that the alleged violator will be able to establish any of the affirmative defenses set forth in the statute.
5. The copy of this Certificate of Merit served on the Attorney General attaches to it factual information sufficient to establish the basis for this certificate, including the information identified in Health & Safety Code section 25249.7(h)(2), *i.e.*: (1) the identity of the persons consulted with and relied on by the certifier; and (2) the facts, studies, or other data reviewed by those persons.

Dated: June 30, 2006



Richard Drury
Attorney for Communities for a Better Environment

CERTIFICATE OF SERVICE

I am employed in the City of South San Francisco in the County of San Mateo, California. I am over the age of eighteen years and not a party to the within action. My business address is 601 Gateway Blvd., Suite 1000, South San Francisco, California 94080.

On June 30, 2006 I served the following document(s):

NOTICE OF VIOLATION OF THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65), SECTION 25249.6 OF THE CALIFORNIA HEALTH AND SAFETY CODE, FOR EXPOSING ALL PASSENGERS ON DIESEL SCHOOL BUSES TO DIESEL ENGINE EXHUAST WITHOUT A WARNING

by UNITED STATE FIRST CLASS MAIL by placing a true and correct copy thereof in an envelope addressed to each of the persons named below at the address shown, and by sealing and depositing said envelope in the United States mail at South San Francisco, California, with postage fully prepaid to:

SEE ATTACHED LIST

Executed on this 30th day of June, 2006 at South San Francisco, California. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.


Bonnie Heeley

SERVICE LIST

Kevin Benson, President
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business as Laidlaw
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June 30, 2006

Page 9

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