



President's Board Report
December 15, 2010

Thank you Chairman Peterson, members of the board.

Continuing the festive tradition, the Holiday Train is once again traveling across the rail system. Now in its 19th year the Holiday Trains is a fun way to enjoy the city during the holiday season.

Thanks to employee contributions, more than 300 food baskets are being delivered this year. My family and I rode the train two weeks ago and participated in the food delivery as we did last year and it was again a great experience.

This week Santa, his sleigh and team of elves will ride the train on the Red and Purple Lines

The train is still scheduled to run several times between now and December 22nd, so if you haven't experienced it before I would encourage you to go out and see it.



The New Year means a new beginning for everyone, and many of us enjoy welcoming in the New Year with friends or family or at celebrations some distance from home.

Those out and about on New Year's Eve – whether workers at holiday get together or people out celebrating – can count on CTA to get them home.

The CTA is continuing a 25-year tradition of ringing in the new year with our penny ride service.

Later hours and next-to-nothing fares are our way of encouraging people to leave their cars at home and let the CTA be their designated driver over the New Year's holiday.

Taking the CTA will not only make travel safer for those riding with us, but will also reduce traffic congestion by keeping more drivers off the road. It's a win-win

situation that we feel will make celebrations more enjoyable by taking the worry out of driving and parking.

—

Although 2010 was a challenging year financially, I am happy to let the board know that we have continued to manage our costs carefully and remain on track to finish this year with a balanced budget.

As this year comes to a close, I believe that we can be proud of what we have accomplished this year despite our financial difficulties.

As you all know, in February we had to reduce service in order to balance the budget.

We designed a plan to retain as much service as possible for riders, while reducing costs and maximizing efficiency. By reducing the frequency of service during off-peak hours, and trimming hours of operation, we were able to keep the number of routes and services being eliminated to a minimum.

Although buses and trains are a little more crowded these days, and some routes start later and end earlier, everywhere that had service last year, continues to have it today.

Bus Tracker continues to be a popular and highly functional tool for our riders. In addition to convenience, it adds a level of safety by minimizing the wait time for those traveling outside of their routine either late at night or on those dreaded winter days like those we are currently experiencing when the weather is bitterly cold.

Throughout this year the text capability has proven to be perhaps one of the most beneficial tools we've launched. This feature expanded the benefits of Bus Tracker to a larger percentage of our customers. By sending a text message to CTA, you can receive the estimated arrival times of the next two buses at your bus stop.

The prototypes of the new 5000 Series Rail Cars have been making their way around the rail system to be tested on every line through the year.

Currently they are out on the Brown Line after completing runs on the Orange, Blue, Green and Red lines.

The 10 prototype rail cars are being tested to determine how they perform when operating in the conditions that the fleet is subjected to throughout the year.

The 5000 series cars will replace rail cars that are more than 40 years old.

We are also continuing to test security cameras on our existing fleet of rail cars and will follow through on that process throughout next year, along with evaluating the responses from vendors to move the open fare project forward and review our partnership opportunities to advance the corporate sponsorship and naming rights potential for our stations and other assets.

—

Last but certainly not least, this month we say goodbye to Jeanette Martin, our Chief Operating Officer, who is retiring at the end of the year.

Since joining the CTA 27 years ago as a part-time bus operator to earn money for college, Jeanette has come to embody the true mission and spirit of the CTA in every position she has held along the way.

Her dedication, extraordinary knowledge of the system, sense of humor and candor will sorely be missed and all of us wish her only the best in her destinations that lay beyond CTA.

Personally I want to thank Jeanette for working so closely with me to provide the best for our riders and employees.

Thank you Jeanette and good luck.

—

And, that concludes my Board report, thank you.