Thank you Chairman Brown, members of the Board.

On behalf of the CTA Executive Management team, I’d like to begin by welcoming our newest board member, Ms. Jacky Grimshaw. She has a long history of committing her time and talents to helping the CTA and I greatly look forward to working with her.

I feel fortunate to be partnered with an engaged and dedicated board. Last month, Director Chandler joined me for the ribbon cutting at Wellington and a tour of other Brown Line stations. It was time well spent and I really appreciate the insight that Director Chandler was able to provide. Weekly, I dedicate a full day to inspecting the system and would like to extend an open invitation to all board members to join me on these opportunities to interact one-on-one with both our customers, as well as our field employees.

With regards to Wellington, it was the final station to close for renovations, and with its reopening, the project is now in its final phase. Belmont and Fullerton remain under construction, scheduled for completion this year.

Last week the Commission on Chicago Landmarks selected the Armitage station as a winner in its 2009 Preservation Excellence Awards. The Commission honors projects that involve notable improvements to buildings in landmark districts and the CTA team was among those commended for their efforts to maintain and preserve an important piece of Chicago’s historic and architectural heritage.

We have a station that excels in form as well as function. My congratulations to the entire Brown Line team.

Now I’d like to give you a quick update on our stimulus projects.

Our first project, replacing ties in the Blue Line subway, is on schedule and budget. The first two phases of the project have been completed, with the second phase being completed six weeks earlier than originally anticipated due to improvements in the sequence of work.

We have also received 52 out of our total order of 58 hybrid buses. The remaining six buses are due to arrive this month.

The bus and rail car rehab work is ongoing as are escalator replacements. We’re also continuing our preparatory work for the renovations to the Cermak Red Line station.

We’re pleased that stimulus funding has enabled us to initiate significant projects, large and small.

I would also like to report that last month, I traveled to Washington D.C. to participate in a Department of Transportation discussion on transit safety oversight. Transportation Secretary La Hood convened
the meeting and it was attended by FTA Administrator Peter Rogoff as well as leaders from other transit systems.

The purpose was to talk about current oversight, at both the state and federal levels, and what the priorities should be. But of course, you can’t talk priorities without also talking about funding. As Congress prepares for the reauthorization of the transportation funding bill, transit leaders will be making the connection between safety and the need for significant funding to bring systems to a state of good repair.

I will keep you informed of our ongoing discussions.

As for our ridership, in August, 43.3 million rides were provided, a decrease of 6.4% compared to August 2008.

Ridership on the bus system was at 25.5 million rides, which is down 9.6% compared to last year.

For the first time this year, we also experienced a decrease in rail ridership. It was at 17.8 million rides, a decrease of 1.4% compared to August 2008.

Year-to-date, ridership is down 0.5% over last year at this time, equivalent to 1.9 million rides.

Lastly, we are expecting to receive our final 2010 budget year marks from the RTA next week. At that point we will begin finalizing our recommendations in anticipation of presenting them to you in October.

As always, we remain committed to providing service for our customers that is on time, clean, safe, and friendly.

Thank you. This concludes my report.