



Illinois Electronic Security Association

309 E. Rand Rd., #107 | Arlington Heights, IL 60004 | (630) 305-8800

June 9, 2011

PRECINCT COMMITTEEMAN
ADDRESS
Crystal Lake, IL, 60014

RE: MCHENRY COUNTY BUSINESSES HAVE CUSTOMERS SEIZED BY GOVERNMENT

PRECINCT COMMITTEEMAN:

The private-alarm industry is being replaced by local governments in McHenry County.

Most recently, the McHenry City Council signed a contract – as have Crystal Lake and Algonquin – to duplicate alarm-monitoring infrastructure that has already been built by the private-sector. These communities then passed ordinances that stripped away the free-market choice of business owners by requiring commercial fire-alarm systems to be monitored by each community's government monitoring station. In effect, this will close the doors of some previously viable businesses.

My questions are: How did this happen? Is government take-over of private industry acceptable now? Is ANYBODY doing their due diligence? I also question when and where the discussions to decimate a private industry took place – in the sunshine of an open forum or in closed session? Are there any records available from these meetings?

I contend these councils and boards of trustees did not do their proper due diligence otherwise they would understand the consequences of their community-impacting decisions, which include:

- Businesses will pay more to have additional equipment installed at their premises.
- Businesses will ultimately pay for the infrastructure at the government's monitoring center.
- Businesses will pay higher fees than if they could select an alarm company in a free-market fashion.
- Newer fire-alarm systems will be "dumbed-down" by an already decade-old technology that will be used by the government-run monitoring center for an additional decade or two.
- Strip malls and other multi-tenanted locations will pay dearly. Each address will have to have its own equipment rather than using addressable panels commonly used today – more money spent needlessly.
- Alarm agencies lose every customer relationship they have fostered over the years with no compensation. This accounts for tens of millions of dollars confiscated by the local government over a ten-year period.

These facts make it clear the decisions were made with the purpose of squeezing as much revenue as possible out of local businesses. In fact, these communities locked-in their projected "profit" in perpetuity by passing ordinances mandating the use of their monitoring services. Keep in mind that a portion of their projected profit is the result of setting a price-point considerably higher than what is available from the private sector.

There are practical, more cost-effective alarm-dispatching methods available today to achieve the government's goals without harming the free-market system. These methods are far superior in terms of public safety too.

I am writing this letter as a plea for help. Will you help get the answers to the questions I posed above? Will you be the champion of private business in McHenry County?

If you can help me protect the livelihoods of McHenry County business owners, employees and their families, please contact me at 1-630-305-8800.

Sincerely,

Kevin Lehan
Executive Director