

PSA FAQ (Frequently Asked Questions)

Why is PSA signing beneficial for me?

- o This provides you with a professional helping you develop your project from initial design to final finish choices.
- o Provides you with a representative to coordinate work done by architects, designers, and engineers.
- o You are engaging a contractor to work on the project for you. This work may include items prior to the commencement of construction.
- o The contractor you engage under the PSA can prepare accurate specifications needed for price discovery for the project.

What is the difference between a bid and a PSA besides that I need to pay for a PSA?

- o A bid is an end product of time and effort put forth by the contractor getting plans and specifications out to subcontractors and material suppliers and receiving accurate pricing based on accurate take-offs. All of the costs are checked and then assembled into a document showing the price of the project: this is "the bid." A bid may be just a part of the proposal being submitted to the client for approval prior to starting construction.
- o A PSA is a simple document used to engage the contractor to work on the behalf of the client to do certain tasks on the development of the project prior to the start of construction of the main project. These tasks can include coordination with the architect/designer, engineer, building departments, homeowners' associations, design review committees, governmental agencies such as Health Departments, Water Districts, Road and Highway Districts... Under the PSA, the client may direct the contractor to perform pre-construction projects as needed prior to contract execution.



- Aside from writing up the PSA for a fee, what else am I getting for my money?
 Compared to companies that do not charge.
 - o Most companies will offer a certain amount of service for free, as will we. We are pleased to have an initial meeting with you, go over your plans, and see that the build-out that has been designed will fit and meet the required setbacks. I am willing to provide you with an estimated range of costs based on our conversations. After that service has been given, we are pleased to continue helping you develop your project but we do value our time, as our past clients have, and expect to get paid for our services while we are working for you on your job. At the completion of the PSA, all information is yours. Creating complete job specifications is often performed by a designer or architectural firm. We use a PSA for our services to accomplish the same set of specifications.
 - o There may be some companies that say they will provide you with a "bid" but without complete information, they will only be providing you with an estimate. An accurate and complete bid process takes quite a bit of time and complete specifications to thoroughly get pricing for all of the components in the project.
- What happens if I sign and pay the PSA fee and a month or so later I decide to change up my plans, do I have to pay an additional fee for a new PSA?
 - o A Professional Services Agreement should clearly define how much work is to be completed and the size of the project prior to the approval from the client. The number of changes or hours worked on changes should be specified in the PSA and if those numbers are exceeded, additional work can be done at specified, agreed-upon rates.
- My friend is a contractor. Should I have them look this over before I sign?
 - o If your friend is an experienced and reputable contractor, absolutely. They will be pleased to see that you have engaged a professional to help you develop your project and help look out for your best interests with all parties involved before the start of construction.



My other contractors are giving me free estimates, why aren't you?

- o As described above, I am happy to give you a free "ballpark estimate range of cost". It will be based on my experience in the local area for similar projects with similar finishes and similar scope of work. This "ballpark estimate" will be a range of prices in which the project can be built.
- o Without complete plans and specifications, a complete "Bid" cannot be achieved. One of the purposes of the PSA is to hire a contractor to help you clearly specify all of the materials and finishes needed for getting a complete bid.

What is the benefit of me signing with you now?

- o If you are in a hurry to get your project started, the best way to expedite the process is to hire a professional that knows all of the steps and hurdles needed to be met in order to get your project ready for construction.
- o Let's face it, there is a certain amount of work that needs to be done well in advance of starting the construction of a project. There is a maze of requirements deemed necessary. We help with that as an experienced, specialized professionals and guide your project through the process.

How will not signing it now affect my construction project?

o The timing of signing the PSA is really a matter of your anticipated completion date. You work backward from the completion date, defining how long the construction process will take and before that, how long it will take to get the project ready for construction. If there is time between now and the start time of the preliminary work needed for preparation for construction, signing now may not be necessary. But depending on current economic situations, requirements and timing often change and we would rather get all of the preliminary work done well in advance of needing it and having the time to meet your completion date as opposed to something happening that will cause a delay and having you miss your completion date.